# 45th
# ANNUAL REPORT
# 2021-2022

## INDIA TRADE PROMOTION ORGANISATION

Paper to be laid on the table of Lok Sabha/Rajya Sabha

**AUTHENTICATED**

**Inauguration of Pragati Maidan Tunnel by Hon’ble Prime Minister**

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ITPO

# 45th ANNUAL REPORT 2021-2022



## INDIA TRADE PROMOTION ORGANISATION

# World Class Iconic International Exhibition-Cum-Convention Centre (IECC)

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45th

# ANNUAL REPORT

## 2021-2022

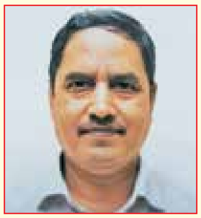
**Inauguration of New Halls 2, 3, 4 & 5 at Pragati Maidan by Hon'ble Prime Minister of India.**


**New Exhibition Halls 2, 3, 4 & 5 at Pragati Maidan**

# BOARD OF DIRECTORS

## (Present)

Shri Pradeep Singh Kharola
Chairman & Managing Director
(w.e.f. 20.10.2022)

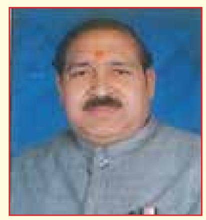


Shri Shashank Priya
Spl. Secretary & Financial Adviser
Ministry of Commerce and Industry
(w.e.f. 28-08-2019)

Dr. Krishan Kumar
Joint Secretary
Ministry of Commerce & Industry
(w.e.f. 24.05.2022)

Smt. Mercy Epao
Joint Secretary
Ministry of Micro Small & Medium
Enterprises (w.e.f. 20-07-2022)

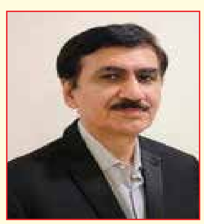
Shri Md. Noor Rahman Sheikh
Joint Secretary Ministry of External
Affairs (w.e.f. 27.12.2021)



Shri Om Prakash Chalniwale
Independent Director
(w.e.f. 3.11.2021)

## (During the Year)

Shri L.C.Goyal
Chairman & Managing Director
(up to 30.09.2022)

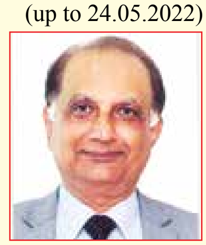


Shri Vibhu Nayar
Executive Director
(up to 28.11.2022)

Shri Amitabh Kumar
Joint Secrtary
Ministry of Commerce & Industry
(up to 24.05.2022)

Smt. Alka Nangia Arora
Joint Secretary
Ministry of Micro Small & Medium
Enterprises (up to 20.07.2022)

Smt. V.G.Aravindanayagi
Independent Director
(up to 30.10.2022)



Rahul Kumar Shrawat
Rear Admiral (Retd.)
Independent Director
(up to 12.12.2022)

# KEY EXECUTIVES

## (As on date of AGM on 00.12.2022)

Shri Mathura Prasad
ED (Project)

Shri S. R. Sahoo
Company Secretary & General Manager

Mrs. Hema Maity
General Manager

Col. Shri Pushpam Kumar
Officer on Special Duty

Shri Bimal Kumar Dubey
General Manager

Shri Vikash Kumar Singh
General Manager

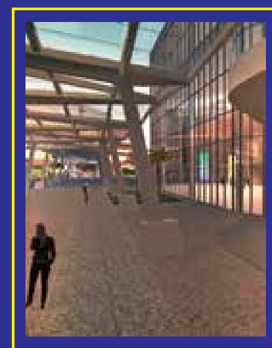
Shri S. K. Sinha
General Manager (Works)

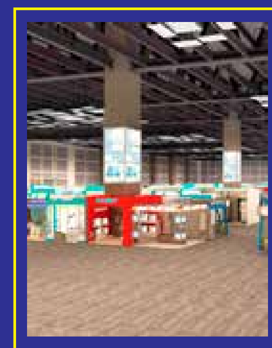
Shri R.K. Thakur
Deputy General Manager

Shri Brij Lal
Deputy General Manager


**Hon'ble Prime Minister viewing the Pragati Maidan Tunnel after inauguration**

# ITPO Offices in India






**Inauguration of IITF-2022 by Hon'ble Union Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles, Govt. of India, Shri Piyush Goyal. Shri Pradeep Singh Kharola, CMD- ITPO and other dignitaries are also on the dais.**

# ITPO OFFICES IN INDIA

**Registered & Head Office**
India Trade Promotion Organisation
Pragati Bhawan, Pragati Maidan, New Delhi-110001 (INDIA)
Tel.: 91-11-23371540 (EPABX) Fax : 91-11-23371492
E-mail: info@itpo.gov.in Website : www.Indiatradefair.com
Trade Portal : www.tradeportalofindia.com
CIN : U74899DL1976NPL008453

## REGIONAL OFFICES

**Chennai**
Raja Annamalai Building, 2nd Floor,
18-A, Rukmani Lakshmipathi Road,
Egmore, Chennai-600008
Tel.: 91-44-28554655/28587297/28415416/28524655
Fax : 91-44-28554740
E-mail: itpochn@md4.vsnl.net.in
narayanv@itpo.gov.in

**Kolkata**
International Trade Facilitation Centre,
5th Floor, 1/1, Wood Street, Kolkata-700016
Tel.: 91-33-22825820/22822904/22828586
Fax : 91-33-22828269
E-mail: itpocal@cal3.vsnl.net.in/rroy@itpo.gov.in

**Mumbai**
7-Cooperage Road,
3rd Floor, Jhansi Castle, Mumbai- 400001.
Tel.: 91-22-22026629/22021788/22044918/22021730/22850878
Fax : 91-22-22044922
E-mail: itpo@itpomumbai.com/itpomumbai@gmail.com

## Auditors

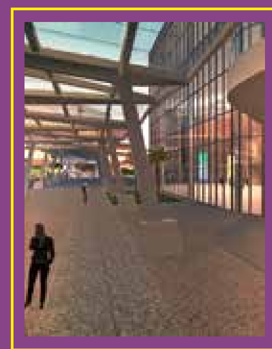
M/s P D Agrawal & Co.
Chartered Accountants

## Main Bankers

Central Bank of India
Canara Bank
Union Bank of India


**MSME Pavilion at India International Trade Fair-2022**


**Indian Railways Pavilion at India International Trade Fair-2022**




# Chairman's Statement

# CHAIRMAN'S STATEMENT 45th ANNUAL GENERAL MEETING

**LADIES & GENTLEMEN,**

I joined in October, 2022. It is my pleasure to welcome you all to the 45th Annual General Meeting of ITPO. The Directors Report and the Audited standalone & consolidated Accounts for the financial year 2021-22 along with the Statutory Auditors Report have already been circulated. With your permission, I take them as read. I am happy to mention that CAG "NIL" comments have been received for the Annual Accounts 2021-22.

## 1. CHALLENGES AND WAY FORWARD

I am privileged to mention that your organization has taken up the most important activity in the history of ITPO of hosting G-20 in the upcoming world class iconic Convention Centre the construction of which is underway. There are challenges to complete the project in time and make it ready for the most prestigious event for which we at ITPO along with the machineries of Government of India and other agencies

are making all out efforts. I am confident that we will be able to complete the task to showcase the iconic Convention Centre to the world during G-20 summit with pride as "New India".

The Covid-19 pandemic impact had continued during the year and started lessened around 2nd half of the year. The exhibition, travel and hospitality sectors are

gradually coming to normalcy. Exhibition activities in ITPO were worst effected including the ongoing project work, but now the situation has improved substantially.

It is a matter of pride for all of us that the Hon'ble Prime Minister inaugurated on 13.10.2021 the new Exhibition Complex (Halls 2, 3, 4 & 5) as a part of the IECC Project together with the launch of PM Gati Shakti.

## 2. FINANCIAL PERFORMANCE

I am satisfied to mention that inspite of covid impact during the year total income generated by your Company reached Rs.79.17 crores against Rs. 50.30 crores generated in the previous year. This year your company has reduced the net loss to Rs.56.30 crores compared to loss of Rs.84.15 crores in the previous year 2020-21. It is pertinent to mention that during the year many exhibitions scheduled to be held at Pragati Maidan upto September 2021 were either cancelled or rescheduled and further the interest income on deposits in the banks is also now marginal in view of substantial funds/corpus having been utilized for the IECC project.

As of now the covid impact has lessened and exhibition industry has come to normalcy and we are doing well organizing events and the third party organizers organizing events so it is expected the current year will be normal year in respect of income.

## 3. MAJOR ACHIEVEMENTS

During the year 2021-22 despite of very short notice as DDMA restrictions were lifted in September, 2021 the mega event India International Trade Fair (IITF) was planned and ITPO organized its 40th edition from November 14-27, 2021. The theme of IITF 2021 was "Atmanirbhar Bharat / Self-Reliant India" The IITF was held after a hiatus of two years owing to the restrictions on holding B2C events due to the Covid-19 pandemic. Inspite of various pandemic related restrictions the fair attracted one of the highest footfalls in recent years. The individual count of exhibitors topped the figure of 3000, including a large number of rural artisans, craftsmen, women entrepreneurs, handloom weavers, artists, Self-Help Groups (SHGs), Start-up and MSME units. The public at large got the opportunity to experience the modern redeveloped halls first time part of the IECC project, which were inaugurated by the Hon'ble Prime Minister Shri Narendra Modi in October 2021. The event was organized in a curated environment to ensure the safety of participants, visitors and other stakeholders. The visitors who turned up in large numbers strictly observed Covid-related protocols and were delighted to see the "Trade Fair", as the fair is colloquially referred to, back in action.

## 4. DOMESTIC FAIRS

I am also happy to mention that in the current year ITPO organized its flagship event India International Trade Fair 2022, 41st edition from November 14-27, 2022, Pragati Maidan, New Delhi in an area of 73,000 sqm. The theme of IITF 2022 was "Vocal for Local and Local to Global". Shri Piyush Goyal, Hon'ble Commerce & Industry Minister, Govt. of India inaugurated the fair on November 14, 2022. Bihar, Jharkhand and Maharashtra were three Partner States in IITF 2022. Kerala and Uttar Pradesh were Focus States. 29 states/ UTs/53 Govt. Deptts./Ministries/PSU/Start-ups/ & 242 Pvt. participants and 14 Foreign Countries participated. Around 10 lakh people visited the mega event during 14 days and all the stakeholders appreciated the arrangements including cleanliness and facilities at Pragati Maidan.

Approx 25843 business visitors visited the fair.

Overseas business visitors from Tanzania, Tunisia, Austria, UK, USA, Bahrain, UAE, Republic of Korea, Japan & other delegations from MEA from various countries across the globe visited the IITF 2022 as ITPO is now in a position to hold events in larger scale. Aahar –International Food & Hospitality Fair of ITPO was held in ITPO in April, 2022 which also attracted large number of business visitors. As we are back to normalcy it is expected that ITPO will bounce back to its earlier revenue income and will put out improved financial results in the coming years.

## 5. PARTICIPATION IN FAIRS HELD ABROAD

Due to the outbreak of the COVID-19 pandemic in India and abroad and the subsequent travel restrictions worldwide, all the exhibitions planned during 2021-22 had either been cancelled or rescheduled. However, ITPO successfully organized participation in Anuga, Cologne (Germany), October 9-13, 2021, in 591 sq.mtr. and inspired Home show, Chicago (USA) March 5-7, 2022. But in the current year after relaxation in travels ITPO has organized more than 12 events abroad which includes mega participation in Sial Paris, October, 2022 where more than 90 Indian Business entities participated and also AFL, Milan in December, 2022.

## 6. FAIRS ORGANISED BY THIRD-PARTY ORGANISERS AT PRAGATI MAIDAN, NEW DELHI

Consequent to the revised tariff policy for the third-party events introduced by ITPO keeping in line with the ever-evolving market conditions and keeping in mind the much needed relief necessary for third-party event organizers due to the impact of the COVID-19 pandemic on the exhibition industry, a renewed interest was shown by the organisers for holding their events at Pragati Maidan in the FY 2021-22. Keeping in view the goal of giving boost to the exhibition industry and to provide relief to the organizers, as a major venue & services provider, various relaxations were also announced during the year.

Twenty five (25) third-party events were held During the year 2021-22. Many first time events and marquee events were also held like car launch, government event of Skill India etc. Further, due to the Gati Shakti event coinciding with the inauguration of IECC Complex halls 2 to 5 by the Hon'ble Prime Minister of India was held in Oct, 2021. In the current year major government and corporate events such as Drone Festival, Biotechnology Industry Research Assistance Council (BIRAC), Indian Mobile Congress and 90th General Assembly of Interpol were held in the newly developed exhibition hall Nos. 2-5 at Pragati Maidan where Hon'ble Prime Minister was present for the inauguration.

The 5G services by the Cellular Operators was launched from the Pragati Maidan by the Hon'ble Prime Minister during the inauguration of Indian Mobile Congress. Apart from this the automobile giant Volkswagen launched its new car Virtus from Pragati Maidan. In 90th General Assembly of Interpol event where the Heads of the police department of 195 countries and ministers and other prestigious international organizations participated.

## 7. REDEVELOPMENT PROJECT (IECC)

After inauguration of four Exhibition Halls by the Hon'ble Prime Minister in October, 2021, the main tunnel across Pragati Maidan Complex along with 5 underpasses of Integrated Transit Corridor Development (ITCD) Project in & around Pragati Maidan was formally launched by the Hon'ble Prime Minister in June, 2022. The work on remaining segments of the IECC Project is on fast

track and the entire project is now rescheduled to be completed by January, 2023. Since the G-20 Summit is to be held in the Convention Centre in September, 2023, inter-ministerial meetings in connection with the G-20 Summit start happening in the Convention Centre from March, 2023. Given this situation, the progress of the IECC Project is also being reviewed at the highest level in the Government.

The pace of construction activities at various segments of the IECC project has got the desired momentum during the last two months. Status of progress is being received at the highest level on a weekly basis.

ITPO has been extending all possible financial assistance to the agency on recommendation of NBCC to avoid financial crunch to the project. Recently, ITPO released an amount of Rs. 30.00 crore on recommendation of NBCC as installment of 2nd special advance keeping in view completion timelines of various segments of the IECC project.

## 8. INITIATIVES TAKEN FOR THE STAKEHOLDERS:

During the year, significant initiatives have been undertaken for improving and augmenting the infrastructure capacity and service delivery of ITPO. These include the following:

E-Enablement for ease of doing business:

- Online space booking system in domestic events.
- Online booking of Halls & service requirements for 3rd party events.
- Functioning of E-payment/E-refund.
- Wi-fi facility in all old AC halls and the process initiated for new halls.
- E-ticketing for fair visitors.

Customer Friendly Measures

- Competitive tariff policy introduced for 3rd party events.
- Single Point Contact (SPC) system BDD's side for 3rd party events at Pragati Maidan strengthened
- Inspection Service delivery team reconstituted with wider responsibilities given to ensure better delivery services to organisers/participants and compliance of the guidelines of ITPO
- Strengthening of the already implemented 'Help Desk' (booking team and software portal team) for third-party events.
- Regular interaction with participants/ organizers.
- Improvements in the online portal for booking and services previous management which was developed in the previous Financial Years.

## 9. TRADE INFORMATION RELATED ACTIVITIES

ITPO offers facilities and services to all those who wish to become its members, manufacturers, agents, access to directory, searchable by product and country through www.tradeportalofindia.org access to import, export trade statistics of countries across the globe of all products. ITPO provides a package of services to exporters enrolled as members. These services include trade enquiries received from Indian Missions abroad and directly from the overseas importers and arranging meetings with visiting delegations during Trade Fairs and Exhibitions organized by ITPO. Trade information on countries, products, overseas tenders and trade fairs, exhibitions organized by ITPO in India and overseas and the information on third party events held at Pragati Maidan are published in the Indian Export Bulletin.

## 10. TOWARDS ICT ENABLEMENT

ITPO continues to pursue ICT (Information and Communications Technology) enabled good governance initiatives

- Exhibition space booking for ITPO's flagship event viz. India International Trade Fair, 2021 and AAHAR 2022 was successfully done through web-based software application.
- A robust Mobile App for IITF 2021 was successfully launched. The App included facility to book online entry tickets through ITPO's event ticketing partner Book my show and view exhibitors' details through dedicated search option.
- Online ticketing was implemented in IITF 2021, AAHAR 2022 & IITF'2022 facilitating proper crowd management and ease of booking tickets online thereby avoiding long queues at Pragati Maidan entry gates.
- Development of web-based software for overseas events' booking and management has been completed.
- On-demand internet services, Wi-Fi and broadband services were provided in exhibition halls within ITPO, Pragati Maidan. Project for implementation of In-Building Solutions (IBS) in ITPO complex has been initiated which shall facilitate in boosting telecom connectivity in Pragati Maidan.
- Online internal Vigilance Clearance system is being continued in ITPO.
- E-Office product suite (SPARROW-Smart Performance Appraisal Report Recording Online Window) of NIC has been continued for the purpose of submission of ACR/APAR online.

## 11. ADMINISTRATION & HRD

During the year 2021-22, 3 officer/officials were appointed through deputation basis. Observance of Birth Anniversary of Bharat Ratna Dr. Bhimrao Ambedkar; National Handloom Day; Rashtriya Ekta Diwas; Flag Day; Communal Harmony week; Constitution Day; Swachhta Pakhwada etc. and Rendition of the National Anthem on the occasion of Azadi ka Amrit Mahotsav was also carried out in the organization.

The Guidelines on reservation policy is being complied with within ITPO. Liaison Officers have been nominated to look after the interests of SCs/STs & OBCs.

## 12. PROGRESSIVE USE OF THE OFFICIAL LANGUAGE (HINDI)

To ensure proper implementation of the Official Language Policy of the Govt. of India in ITPO, an Official Language Committee has been constituted under the Chairmanship of CMD, ITPO and its meetings are organized regularly to ensure maximum use of official language in Hindi.

## 13 . VIGILANCE

Circulars and system improvement directives are issued to develop awareness among the employees of ITPO. As preventive measures, the Vigilance Division is also monitoring timely payments of bills / wages to contractors/suppliers/service providers/ contractual manpower through the mechanism of monthly reports

from concerned divisions certifying that all bills have been processed within the approved timelines. In order to ensure transparency and also efficient Vigilance Administration, use of Information Technology Innovations is actively pursued.

## 14. SUBSIDIARY COMPANIES:-

### TAMILNADU TRADE PROMOTION ORGANIZATION (TNTPO)

The Chennai Trade Centre is managed by TNTPO, a Joint venture of ITPO and TIDCO. During 2021 -22, 15 exhibitions were held in the Exhibition Halls of Chennai Trade Centre and 22 events took place in the Convention Centre. Expansion project of a multi-purpose (Exhibition/Convention) hall with an area of 20,322 square meters in Chennai Trade Centre at an approved cost of Rs. 308.75 crore including GST is underway. After the expansion, there will be a total of 2 convention centres and 5 halls for exhibitions in the total area of 35,677 square meters in an area of 34.61 acres of land which was visited by me and I am confident that it will come up very nicely. .

### KARNATAKA TRADE PROMOTION ORGANISATION (KTPO)

Located at a prime area in Whitefield, Bengaluru, it covers an area of 48.35 acres. It has an air-conditioned Exhibition Hall of 5,371 Sqm. Karnataka Trade Promotion Organization (KTPO), a joint venture of ITPO and Karnataka Industrial Area Development Board (KIADB). The expansion project of a multi-purpose (convention/exhibition) hall with an area of 7633 sq meters. of KTPO at an estimated project cost is Rs.67.59 crore.is under way and it will be completed very shortly. After the expansion, there would be 2 halls for conducting exhibitions and conventions with a total exhibiting area of 14,504 Sqm.

### ITPO SERVICES LIMITED (ISL)

A Special Purpose Vehicle (SPV) has been formed by ITPO as a 100% subsidiary registered with the name “ITPO Services Limited” a Private Company under Companies Act 2013 as a non-Section 8 company. The main objects of ITPO Services Limited are to promote/ undertake hospitality and F&B services including facilitating a 5-star hotel, conferences/ exhibitions/ display of products/ event management and other activities ancillary and/ or incidental to trade promotion and any other commercial activities in and around Pragati Maidan or any other area within or outside India.

## 15. CORPORATE SOCIAL RESPONSIBILITY (CSR)

ITPO has been strictly adhering to the CSR and Sustainability Guidelines issued by Department of Public Enterprises and the applicable Act & Rules of the Companies Act 2013. The CSR initiatives/activities are implemented and monitored accordingly. The detailed policy about CSR initiatives of ITPO is available at http://www.indiatradefair.com/csr.php.

ITPO contributed in total Rs. 7.32 crore @ 2.42 crore each to Swachh Bharat Mission, Clean Ganga and P M Cares Fund for the year 2021-22.

## 16. CORPORATE GOVERNANCE

Following best practices of corporate governance various Board Committees have been constituted in line with the Guidelines of DPE on Corporate Governance. Both the Board as well as the Audit Committee have been meeting at regular intervals.

The Company has submitted the annual report in Compliance with DPE's Guidelines on Corporate Governance to the Department of Commerce during 2021-22, within the specified timelines and reported an Annual Average Pro-rata Score of 95.91% to qualify for an 'Excellent' Grade.

### 17. CODE OF CONDUCT

ITPO has formulated a Code of Conduct for the Board of Directors and Senior Management Personnel. The confirmation of compliance of the same is obtained from all concerned on annual basis. All Board Members and Senior Management Personnel have given their confirmation of compliance for the year under review.

### 18. ACKNOWLEDGEMENTS

I take this opportunity to thank all the Members of Company for their continued and whole hearted support as well as the confidence reposed in the Management. I wish to extend my sincere thanks to the Department of Commerce for their continued support. I am also thankful to Ministry of MSME, Ministry of Textile, other Ministries/Embassies and offices of Central and State Governments and particularly the Ministry of Housing and Urban Affairs, Ministry of External Affairs, including the Indian Missions, for their continued guidance and assistance. We are also grateful to the CPWD, PWD, MCD, Delhi Police, MTNL, Ministry of Railways and other agencies and individuals for co-operation extended to ITPO.

On behalf of ITPO, I seek support from all stakeholders and assure them to make Pragati Maidan a new world class venue for the MICE industry and a better service provider in terms of delivery of quality and quick services for the exhibition industry. I convey my sincere thanks to all my colleagues on the Board, Auditors and to all the employees of ITPO for their discipline, dedication and hard work for the company's overall performance.

Last but not the least I seek special cooperation from all concerned in ITPO's mission to make ready the iconic Convention Centre at Pragati Maidan for the G-20 Summit ahead.

Jai Hind.

Sd/-
**(Pradeep Singh Kharola)**
Chairman and Managing Director
India Trade Promotion Organisation

Place : New Delhi
Date : 20th December, 2022


**45th Annual General Meeting of ITPO in Progress**

**Income Tax Department's Pavilion at India International Trade Fair-2022**


**India International Trade Fair-2022 - A glimps of Ministry of Ayush Pavilion**

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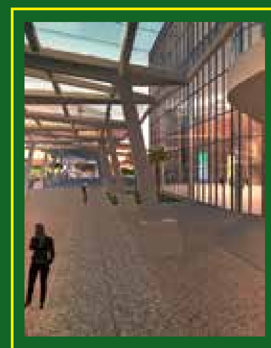
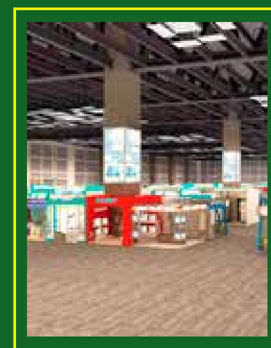
ITPO

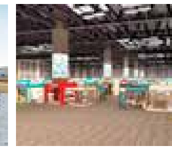




# Notice of Annual Genenal Meeting


India International Trade Fair-2022 - Khadi India Pavilion


Haryana Pavilion at Aahar 2022 at Pragati Maidan



# NOTICE OF ANNUAL GENERAL MEETING

**SHORTER NOTICE IS HEREBY GIVEN THAT THE 45th ANNUAL GENERAL MEETING OF THE MEMBERS OF M/S INDIA TRADE PROMOTION ORGANISATION WILL BE HELD ON TUESDAY THE 20 DECEMBER, 2022 AT 10.30 AM AT THE REGIStERED OFFICE OF THE COMPANY AT PRAGATI MAIDAN, NEW DELHI - 110001 TO TRANSACT THE FOLLOWING BUSINESS:**

## ORDINARY BUSINESS:

**To receive, consider, approve and adopt the Standalone and Consolidated Audited Annual Accounts of ITPO as on 31st March, 2022 and the Statement of the Income and Expenditure for the financial year ended for that date together with the Report of Directors' and Auditors' Report thereon.**

**BY ORDER OF THE BOARD OF DIRECTORS**
**INDIA TRADE PROMOTION ORGANISATION**

Sd/-
(S.R. Sahoo)
Company Secretary

Place: New Delhi
Dated: 15-12-2022

# NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE AT THE MEETING ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT OF APPOINTING PROXIES SHALL HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 (FORTY-EIGHT) HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. **Proxy form is enclosed herewith.**

**BY ORDER OF THE BOARD OF DIRECTORS**
**INDIA TRADE PROMOTION ORGANISATION**

Sd/-
(S.R. Sahoo)
Company Secretary

Place: New Delhi
Dated: 15-12-2022



## FORM NO. MGT -11

## PROXY FORM

*(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rule, 2014)*

CIN: U74899 DL1976 NPL008453

Name: of the Company: **INDIA TRADE PROMOTION ORGANISATION**

Registered office: **PRAGATI BHAWAN, PRAGATI MAIDAN, NEW DELHI-110001**

| |
|---|
| Name of the Member(s): |
| Registered Address: |
| Email id: |
| Folio no/Client id: |
| DP Id: |

I/We being the member of ……………..holding……….shares, hereby appoint

| | |
|---|---|
| Name : | Name : |
| Address : | Address : |
| E-mail ID : | E-mail ID : |
| Signature : | Signature : |
| or failing him | |

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at 45th Annual General Meeting of members of the Company, to be held on 20/12/2022 at the registered office of the Company at 10.30 am and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No:

To receive, consider, approve and adopt the Standalone Audited Annual Accounts as on 31st March, 2022 and the Statement of Income & Expenditure for the financial year ended on that date together with Audit Report.

Signed this_______________day of______________2022

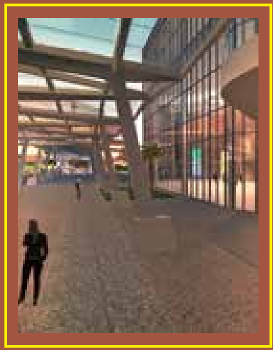
Signature of Shareholder

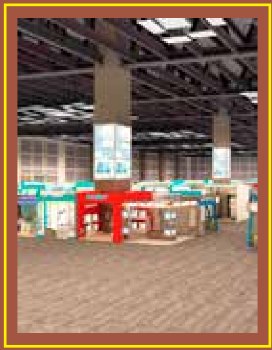
Signature of Proxy holder(s)

| |
|---|
| AFFIX<br>REVENUE<br>StAMP |

**Note:** *This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, before the commencement of the Meeting.*


**Inauguration of Aahar-2022 by Shri Piyush Goyal, Hon’ble Union Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles Govt. of India.**





# Directors' Report

# DIRECTORS' REPORT

**To the Members,**

The Board of Directors is pleased to present the Company's 45th Annual Report and the Audited Statement of Accounts for the financial year ended on 31st March, 2022.

## 1. FINANCIAL HIGHLIGHTS (FINANCE)

During the year 2021-22, your Company incurred a loss of Rs. 56.30 crores after considering 'Other comprehensive Income/(Loss)' compared to a loss of Rs. 84.15 crore (recast as per Ind-AS) in the preceding year.

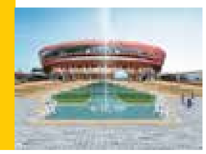
The total income during the year is Rs. 79.17 crores against Rs. 50.30 crore (recast as per Ind-AS) generated in the previous year. The main reason for loss is due to the outbreak of the COVID-19 pandemic globally, which has adversely impacted the business of exhibition & trade show, and non availability of exhibition halls being under construction.

The Company is registered under section 25 of the Companies Act, 1956 (now Section 8 of the Companies Act, 2013) and as per the relevant provisions under this Section, as applicable to the Company, declaration of dividend is prohibited.

## 2. BOARD OF DIRECTORS

Shri L.C. Goyal was the Chairman & Managing Director of the Company upto September 01, 2022. Then Sh. B.V.R. Subrahmanyam, Secretary, Department of Commerce, Govt. of India has taken the additional charge of Chairman and Managing Director w.e.f. 02.09.2022. Presently, Sh. Pradeep Singh Kharola has taken the charge of Chairman and Managing Director w.e.f. 20.10.2022. Shri Vibhu Nayar took over the charge as Executive Director, ITPO w.e.f. 17.09.2021. The non-whole-time Directors & Independent Directors on the Board of the Company are enumerated below:

| Sl. No. | Name of Director | From | To |
|---|---|---|---|
| 1. | Shri Shashank Priya, Additional Secretary & Financial Adviser, Department of Commerce, Udyog Bhawan, New Delhi | 28.08.2019 | Continuing |
| 2. | Shri P. Harish Additional Secretary (ED & States), Ministry of External Affairs, New Delhi | 01.07.2019 | 27.12.2021 |
| 3. | Smt. Alka Nangia Arora Joint Secretary, Ministry of Micro Small & Medium Enterprises(MSME), Udyog Bhawan, New Delhi | 17.8.2017 | 20.07.2022 |
| 4. | Ms. Mercy Epao Joint Secretary, Ministry of MSME (Micro, Small & Medium Enterprises), Udyog Bhawan, New Delhi | 20.07.2022 | Continuing |
| 5. | Dr. Krishan Kumar Joint Secretary, Ministry of Commerce & Industry, Udyog Bhawan, New Delhi | 24.05.2022 | Continuing |


| | | | |
|---|---|---|---|
| 6. | Shri. Amitabh Kumar<br>Joint Secretary,<br>Ministry of Commerce & Industry,<br>Udyog Bhawan, New Delhi | 17.11.2020 | 24.05.2022 |
| 7. | Shri Md. Noor Rahman Sheikh<br>Joint Secretary,<br>Ministry of External Affairs,<br>Jawahar Lal Nehru Bhawan,<br>New Delhi | 27.12.2021 | Continuing |
| 8. | Smt. V.G. Aravindanayagi<br>Independent Director | 30.10.2019 | Continuing |
| 9. | Rear Admiral Rahul Kumar Shrawat (Retd.)<br>Independent Director | 12.12.2019 | Continuing |
| 10. | Shri Om Prakash Chalniwale<br>Non Official Director | 03.11.2021 | Continuing |

There were a total of 4 Meetings of the Board held during the year 2021-22. The Directors are appointed by the Administrative Ministry as per the Govt. of India policies in this regard.

## 3. KEY MANAGERIAL PERSONNEL

As per the Section 2(51) of the Companies Act, 2013, the following are Key Managerial Personnel of ITPO during the year:-

- Shri L.C. Goyal, CMD, ITPO – continuing w.e.f. 02.09.2015
- Shri Vibhu Nayar, ED, ITPO – continuing w.e.f. 17.09.2021
- Shri S.R. Sahoo, Company Secretary – continuing w.e.f. 27.8.2013
- Shri R.K.Thakur, DGM (Finance), ITPO- continuing w.e.f. 06.10.2021

## 4. MEMORANDAM OF UNDERSTANDING (MOU)

- ITPO has been exempted from signing of the MoU for the year 2021-22.

## 5. FAIRS IN INDIA AND ABROAD

- Due to the outbreak of COVID-19 pandemic in India and abroad and the subsequent travel restrictions worldwide, only 2 (two) overseas exhibitions could be organized by ITPO i.e. Anuga, Cologne, Germany, October 9-13, 2021 and Inspired Home Show, Chicago (USA), March 5-7, 2022.. The exhibition industry was the worst hit under the circumstances. ITPO is also working out an SOP for participation in overseas exhibitions with guidelines regarding norms in Omicron, its variant BA.2 Virus & Covid-19 scenario.
- ITPO organized the 40th edition of its flagship event **India International Trade Fair (IITF)** from November 14-27, 2021. The theme of IITF 2021 was "Atmanirbhar Bharat / Self-Reliant India" The IITF was held after a hiatus of two years owing to the restrictions on holding B2C events due to the Covid-19 pandemic. The mega event was organised in a gross exhibition area of approximately 73,000 sq mtrs. in the new and existing halls of the Pragati Maidan Complex. Inspite of various pandemic related restrictions the fair attracted one of the highest footfalls in recent years.
- The event was inaugurated by the Hon'ble Minister of Commerce and Industry. Shri Plyush Goyal on November 14, 2021.
- IITF 2021 edition witnessed participation from

States / UTs and Govt. Departments / Ministries PSUs. Start-ups, MSME Units and other private companies. The individual count of exhibitors topped the figure of 3000, including a large number of rural artisans, craftsmen, women entrepreneurs, handloom weavers, artists, Self-Help Groups (SHGs), Start-up and MSME units.

- Bihar was the Partner State and Uttar Pradesh and Jharkhand were the Focus States. There was significant participation from the States/UTS, with their pavilions displaying their unique indigenous produce, art, craft and cuisines in the State Food Courts. There was participation from 8 foreign countries as well.
- Despite the pandemic atmosphere and the very short notice the mega event was planned and organised. The event was incident free and grand success.
- The estimated business generated (spot sale) duning IITF was approximately over 300 Cr as per reports, 'Hunar Haat' Pavilion reported spot sale of Rs.6.35 Cr. and KVIC Rs 2.88 Cr. During IITF'21, the overall economic activities due to construction of stalls, logistics, travel, hotel stays, salesman etc. were approx Rs 1000 Cr.
- The public at large got the opportunity to experience the modern redeveloped halls, a part of the iconic IECC project, which were inaugurated by the Hon'ble Prime Minister Shri Narendra Modi in October 2021.
- Cultural Programmes were organised during the fair by various States/UTs as well as by "Hunar Haat" in two brand new amphitheatres.
- The event was organised in a curated environment to ensure the safety of participants, visitors and other stakeholders. The visitors who turned up in large numbers strictly observed Covid-related protocols and were delighted to see the "Trade Fair", as the fair is colloquially referred to, back in action.
- IITF 2021 turned out to be an enormously successful event as it helped generate economic activity estimated to be in hundreds of crores and assisted in the revival of sentiment for the MICE industry which had been one of the worst hit due to the pandemic.
- The fair has also helped reinvigorate the supply chain of the MICE industry and helped generate employment opportunities for a significant number of workers in the unorganised sector who had been affected the most by the pandemic.
- The 14-day exhibition concluded on November 27, 2021. The Hon'ble Minister of Minority Affairs Shri Mukhtar Abbas Naqvi was the Chief Guest during the closing ceremony of ITF who presented the awards for best design and display arrangements.
- Despite the COVID restrictios IITF'21 was the largest expo since 2017 in terms of area coverage ( 70,000+ sqm mtr) and revenue generation.

## 6. FAIRS/ EVENTS ORGANISED BY THIRD-PARTY ORGANISERS AT PRAGATI MAIDAN

Consequent to the revised tariff policy for the third-party events introduced by ITPO keeping in line with the ever-evolving market conditions and keeping in mind the much needed relief necessary for third-party event organizers due to the impact of the COVID-19 pandemic on the exhibition industry, a renewed interest was shown by the

organisers for holding their events at Pragati Maidan in the FY 2021-22. Further, due to second and third wave of the COVID-19 pandemic and the resultant restrictive government guidelines for organising events, there were again many re-schedulements and cancellations of the events. Keeping in view the goal of giving boost to the exhibition industry and to provide relief to the organizers, as a major venue & services provider, various relaxations were also announced during the year. Also ITPO, being the concerned nodal agency of the Commerce Ministry, had been liaisoning with various government departments for SOPs to organise exhibitions, premises licence, NOCs & permissions to restart exhibitions amid the pandemic etc. over the past FY.

Due to such measures, even though most of the events booked by third party organisers during the above period were cancelled / rescheduled to the next FY, 25 third-party events were held, as on FY closing date. Many first time events and marquee events were also held like car launch, government event of Skill India etc. Further, due to the Gati Shakti event coinciding with the inauguration of IECC Complex halls 2 to 5 by the Hon'ble Prime Minister of India in Oct, 2021; many ministries and departments of GoI shown interest in holding their events at Pragati Maidan and the same were guided with support for booking and conducting their events in the following FY. This was also a result of the extensive outreach programme undertaken during the year by contacting various state governments & their departments, central government ministries and agencies, export promotion councils and associations etc.

During the time period of restrictions on holding of the events due to the pandemic, BDD (Marketing) Division, ITPO worked in the area of 'New Business' (which continued later also) and many new as well as old event organisers were provided extensive support and were apprised of the detailed information regarding organising their event(s) at Pragati Maidan. Many of these had promising leads, and a number of events converted into bookings in the FY 2022-23.

During the year, the Division has undertaken work of closing the past events' accounts going back at least two decades by working on the debtors and creditors.

## 7. OTHER INITIATIVES TAKEN FOR STAKEHOLDERS

During the year, significant initiatives have been undertaken for improving and augmenting the infrastructure capacity and service delivery of ITPO. These include the following:

➢ **E-Enablement for ease of doing business:**

- Online space booking system in domestic events.
- Online booking of Halls & service requirements for 3rd party events.
- Functioning of E-payment/E-refund.
- Wi-fi facility in all old AC halls and the process initiated for new halls.
- E-ticketing for fair visitors.

➢ **Customer Friendly Measures**

- Competitive tariff policy introduced for 3rd party events.
- Single Point Contact (SPC) system BDD's side for 3rd party events at Pragati Maidan strengthened
- Inspection Service delivery team reconstituted with wider responsibilities given to ensure better delivery services to organisers/participants and compliance of the guidelines of ITPO

- Strengthening of the already implemented 'Help Desk' (booking team and software portal team) for third-party events.
- Regular interaction with participants/ organizers.
- Improvements in the online portal for booking and services previous management which was developed in the previous Financial Years.

➢ **Other Measures**

- Economy and austerity measures continued.
- VRS scheme continued to further rationalize manpower.
- Vigilance Clearance Portal.

## 8. IECC PROJECT

The progress of implementation of the IECC Project at Pragati Maidan is regularly being reviewed at the higher levels in the Government. This is a project of national importance and G-20 Summit 2023 is scheduled to be held in the Convention Centre of the IECC Project.

Exhibition Hall 2-5 Complex was inaugurated by the Hon'ble Prime Minister in Oct, 2021. The entire IECC Project is expected to be completed in all respects by October, 2022 excluding Exhibition Halls 1 & 6 which will be completed by November, 2022.

Main Tunnel across Pragati Maidan premises and 5 underpasses as a part of Redevelopment Project of Pragati Maidan, were dedicated to the nation by the Hon'ble Prime Minister of India on 19.06.2022. This comprehensive traffic solution is fully funded by the Central Government, wherein 20 per cent of the funds were contributed by ITPO as part of the IECC Project.

## 9. TRADE INFORMATION RELATED ACTIVITIES

**ITPO's Membership:** ITPO offers facilities and services to all those who wish to become its members. Such members get information about Global importers, exporters, wholesalers, distributors, manufacturers, agents, access to directory, searchable by product and country through www.tradeportalofindia.org access to import, export trade statistics of countries across the globe of all products.

**Market Intelligences:** The special Market intelligences and different trade related inputs are being generated from the correspondence to the different embassies, consulates, Trade offices abroad. Even, business enquiries and trade messages are also forwarded to us. These trade enquires are being forwarded to the regular members for their business development.

**Indian Export Bulletin Quarterly (E-Library):** TIR&P, ITPO provides a package of services to exporters enrolled as members. These services include trade enquiries received from Indian Missions abroad and directly from the overseas importers and arranging meetings with visiting delegations during Trade Fairs and Exhibitions organized by ITPO. Trade information on countries, products, overseas tenders and trade fairs, exhibitions organized by ITPO in India and overseas and the information on third party events held at Pragati Maidan are published in the Indian Export Bulletin. With a view to providing reliable trade information to Indian exporters and overseas buyers, the trade portal of ITPO www.tradeportalofindia.org has also been set up which provides information from some different countries including countries of the European Union.

## 10. TOWARDS ICT ENABLEMENT

ITPO continues to pursue ICT (Information and Communications Technology) enabled good governance initiatives

The following projects were initiated/carried-out:-

- Exhibition space booking for ITPO's flagship event viz. India International Trade Fair, 2021 and AAHAR 2022 was successfully done through web-based software application. Professional helpdesk facility was also extended to the exhibitors for providing technical support for online space booking.
- A robust Mobile App for IITF 2021 was successfully launched on 14.11.2021 by Shri Piyush Goyal, Hon'ble Minister, M/o Commerce & Industry during the inaugural ceremony of IITF 2021. The Mobile App provided users with the facility to view Important Information related to the event including event theme, partner and focus state details, facilities available during the event including parking locations, ambulance. locations, first aid booths etc. The App also included facility to book online entry tickets through ITPO's event ticketing partner Book my show and view exhibitors' details through dedicated search option.
- Online ticketing was implemented in a professional manner during IITF 2021 and AAHAR 2022 facilitating proper crowd management and ease of booking tickets online thereby avoiding long queues at Pragati Maidan entry gates.
- In wake of Covid protocols, Occupancy Monitoring Solution in the form of installation of “Cluster devices” on the entry/exists of the halls for footfall monitoring was also implemented on pilot basis during IITF 2021.
- Development of web-based software for overseas events' booking and management has been completed and shall be made accessible for exhibitors soon, for easy and smooth booking in foreign fairs through online mode.
- ITPO enhanced its social media presence through various social media handles of ITPO i.e. Facebook, Twitter, Instagram along with corporate website and dedicated fair related micro-sites by updating latest information and activities regarding ongoing and upcoming events in Pragati Maidan.
- On-demand internet services, Wi-Fi and broadband services were provided in exhibition halls within ITPO, Pragati Maidan. Further, the work has been initiated in the direction to onboard M/S MTNL to provide uninterrupted and high speed on demand internet, Wi-Fi and broadband services in old halls and new IECC complex keeping in view the upcoming hi-tech Infrastructure at Pragati Maidan, New Delhi.
- Project for implementation of In-Building Solutions (IBS) in ITPO complex has been initiated which shall facilitate in boosting telecom connectivity in Pragati Maidan.
- The web-based software for Online Application cum Booking System for third party events is being continued.
- Also, the web-based space booking software for domestic events in Pragati Maidan is being continued.
- Online internal Vigilance Clearance system is being continued in ITPO.
- In-line with the Government of India's directives to avoid physical contact while marking the office

attendance in times of the unprecedented COVID 19 pandemic and at the same time ensuring the smooth conduct of office attendance management through automated systems, the Contactless Facial Recognition based Biometric Attendance System (BAS) was continued at ITPO Headquarter.

- E-Office product suite (SPARROW-Smart Performance Appraisal Report Recording Online Window) of NIC has been continued for the purpose of submission of ACR/APAR online.

## 11. ADMINISTRATION & HRD

(i) During the year 2021-22, 3 officer/officials were appointed through deputation basis as per the following details:

| Group | SC | St | OBC | UR | PWD | Total |
|---|---|---|---|---|---|---|
| 'A' | 01 | -- | -- | 01 | -- | 02 |
| 'C' | -- | -- | 01 | -- | -- | 01 |

Further, in pursuance of the Secretariat of the Appointments Committee of the Cabinet, DoPT's communication no. 33/04/2021-EO(SM-I) dated 23.08.2021 and DoC's office order no. A-12022/27/2016-E-IV dated 24.08.2021, Sh. Vibhu Nayar, IAS (TN:1990), assumed the charge of the post of ED, ITPO w.e.f. 17.09.2021 (F/N) for a tenure upto his superannuation on 31.10.2025 from the date of assumption of charge of the post or until further orders, whichever event takes place earlier.

(ii) The VRS has been further extended upto 30.09.2022.

(iii) Observance of Birth Anniversary of Bharat Ratna Dr. Bhimrao Ambedkar; National Handloom Day; Rashtriya Ekta Diwas; Flag Day; Communal Harmony week; Constitution Day; Swachhta Pakhwada etc.

(iv) Rendition of the National Anthem on the occasion of Azadi ka Amrit Mahotsav.

### Reservation Policy of Government of India:

The Guidelines on reservation policy have been complied with within ITPO. Liaison Officers have been nominated to look after the interests of SCs/Sts & OBCs. In every Departmental Promotion/Selection Committee meetings, an officer of appropriate level belonging to SC/St/OBC and minority category has been associated to look after the interests of the candidates belonging to these categories. The provisions contained in Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act 1995 regarding reservation in posts/services for disabled persons have also been complied with. Floral tributes were offered on the occasion of the Birthday of Dr. B.R. Ambedkar.

### Covid-19 Management:

ITPO dealt with the COVID situation including compliance of appropriate COVID behaviour as per the instructions/guidelines issued by various Govt. Agencies and ministries/departments such as MoHFW, MHA, DPE and DoPT. Among others, ITPO ensured attendance of officials on need basis to complete time bound tasks where deadlines were to be met and also adopted online module and work from home functioning with the integration of latest technologies and electronic means to successfully carry out all tasks central to the functioning of ITPO and the sector.

## 12. ENGINEERING SERVICES (ARCHITECTURE, CIVIL, ELECTRICAL, AV & CONSERVANCY AND SANITATION)

ITPO provides one-stop solution by offering services like consultancy, design, lay- outing, site-preparation and execution to meet all the requirements for infrastructure

and facilities in terms of holding Exhibitions/Fairs and Conferences organised at Pragati Maidan and at other locations outside Delhi by ITPO. Site visits are conducted at all the venues including the new venues for successfully organizing prospective exhibitions.

All venue based services are provided to third-party fair organizers. Inspections are carried out to ensure compliance of public safety guidelines. Service delivery has been ensured in all the events organised at Pragati Maidan.

## 13. PROGRESSIVE USE OF THE OFFICIAL LANGUAGE (HINDI)

To ensure proper implementation of the Official Language Policy of the Govt. of India in ITPO, an Official Language Committee has been constituted under the Chairmanship of CMD, ITPO and its meetings are organised regularly. The instructions received from Parliamentary Committee on Official Language, Department of Official Language, Town Official Language Implementation Committee (TOLIC, Delhi) and Hindi Section of Department of Commerce are duly followed in ITPO. Proper efforts are made to achieve targets in different areas as laid down by the Dept. of Official Language, Govt. of India.

Hindi workshops in ITPO are organised on quarterly basis to create a conducive atmosphere for executing the official work in Hindi. In addition to the efforts made by ITPO's own Official Language Implementation Committee, ITPO was also represented in the meetings of TOLIC (Delhi) and Department of Commerce. The Corporate website of ITPO www.indiatradefair.com, which is bilingual, is updated regularly.

To encourage the use of Official Language in day-to-day official work, Hindi Noting-drafting, Hindi translation, Hindi Vartani Shodhan and Hindi chitra varnan competitions were organized in which certificates along with Cash Prizes and educational books were awarded to the participants. To encourage Hindi in routine file work of ITPO, an Incentive Scheme has been in vogue. Employees of ITPO also participated in various Hindi Competitions organized by the TOLIC (Delhi).

Besides, Business Visitors' Guides, Background of IITF, Mobilization folders, signages, banners of different exhibitions organized by ITPO at Pragati Maidan, Annual Report of organisation, Memorandum of Understanding between ITPO and the Department of Commerce were brought out in English as well as in Hindi.

During the year 2021-22, ITPO nominated its representatives in two Hindi conferences held at Varanasi and Kanpur, organized by Department of Official Language, Ministry of Home Affairs.

## 14. SECURITY

- ITPO had made necessary security, fire fighting and parking arrangements during various fairs, including IITF 2021, and other events organized by ITPO during Financial Year 2021-22. Further, the various security arrangements made by third-party fair organizers were also monitored during 2021-22. All third party events and IITF-2021 event remained hassle free and incident free.
- New Parking spaces were explored inside the ground to facilitate organizers/ visitors.
- VIP security in venue was taken care of throughout the year with utmost caution and without any issue.
- To facilitate the third party fair organizers, parking facility at Bhairon Road was provided by ITPO to have the hassle free parking of vehicles for their shows.
- During IITF-2021 additional parking spaces were

arranged at National Stadium and IP Depot.

- Fire Service Week was celebrated during April 14-20, 2021 with an aim to generate awareness in ITPO employees towards fire safety. Sessions of basic fire safety and fire warden training were imparted to all the employees.
- All precautions to minimize the spread of Pandemic 'Covid-19' were followed during various fairs, and events organized in Pragati Maidan during the FY 2021-22.
- Requisite NOCs for holding exhibitions in new halls were obtained from Delhi Fire Service, Delhi Police and Delhi Traffic Police.

## 15. VIGILANCE

The Vigilance Division assists in maintaining transparency and integrity in general administration and functioning of various Divisions of ITPO. Besides investigating complaints and conduct of disciplinary proceedings under ITPO Employees (CDA) Rules, the Vigilance Division performs inspection of office spaces and conducts surprise visits in exhibition halls.

Circulars and system improvement directives are issued to develop awareness among the employees of ITPO. As preventive measures, the Vigilance Division is also monitoring timely payments of bills / wages to contractors/suppliers/service providers/ contractual manpower through the mechanism of monthly reports from concerned divisions certifying that all bills have been processed within the approved timelines. In order to ensure transparency and also efficient Vigilance Administration, use of Information Technology Innovations is actively pursued.

The Vigilance Division scrutinizes the annual property returns of the employees on a continuous basis and also files various monthly, quarterly, half yearly and annual returns/reports to Department of Commerce, CVC and CBI. The Central Vigilance Commission has done away with the offline mode of submission of the Monthly/Annual reports by the CVO and has introduced online mode of submission of Quarterly/Annual Report. Accordingly, online Quarterly Reports in respect of ITPO are uploaded online through CVC's online Quarterly Report module.

In accordance with the instructions issued by the Central Vigilance Commission, Vigilance Awareness Week was observed in ITPO and its Regional Offices in order to spread awareness on the values of practicing ethical and transparent business transactions in day-to-day official works and public interface. A link of CVC's 'E-Pledge' was uploaded on ITPO's website and was given publicity among employees. The employees were encouraged to take integrity pledge by visiting the website. The concept of E-Integrity Pledge was also promoted among the persons with whom ITPO deals i.e. exhibitors and participants of fairs and events in ITPO.

## 16. ESTATE MANAGEMENT

ITPO makes arrangements for installation of BTS towers in Pragati Maidan. At present, five towers (Base Transceiver Stations) are installed in Pragati Maidan that facilitate wireless communication between UE and a network, operation of digital payment, Wi-Fi, etc. EMD has obtained 'Health Trade Licence' for Hall No.7, 8 to 11, 12 and 12-A from SDMC to facilitate the organisers of the events.

## 17. DESIGN & DISPLAY

Design & Display Division is the in-house design studio of ITPO. It is primarily involved in the ideation, planning and execution of designs for various ITPO's domestic

and international events. It is a multi-disciplinary design unit working on exhibition branding, corporate visual publicity - both print and digital platforms, design management, on ground activation, & promotion through social media promos, short animated films, web banner campaigns etc

## 18. SUBSIDIARIES OF ITPO

### Tamilnadu Trade Promotion Organisation (TNTPO)

The Chennai Trade Centre is managed by TNTPO, a Joint venture of ITPO and TIDCO. The Chennai Trade Centre was set up in 2001 over an area of 25.48 acres of land in Nandambakkam, a prime location in Chennai. Hall Nos. 1 & 2 were constructed in 2001 encompassing an area of 6,160 square meters. The Convention Centre constructed in 2004 can accommodate 2,000 participants with a provision for dividing the hall into two equal parts. Hall No. 3 measuring 4,400 square meters was inaugurated in 2008. All the three Exhibition Halls and the Convention Centre are interconnected. All the exhibition halls are air-conditioned and are without pillars or columns.

During 2021 -22, 15 exhibitions were held in the Exhibition Halls of Chennai Trade Centre and 22 events took place in the Convention Centre. TNTPO earned a total income of Rs.18.85 crore as compared to Rs.20.17 crore in the previous year. The net surplus is Rs.3.94 crore after considering 'Other comprehensive Income', as against Rs.6.33 crore (Recast as per Ind-AS) in the previous year (2020-21).

The Board of TNTPO has approved the construction of a multi-purpose (Exhibition/Convention) hall with an area of 20,322 square meters under expansion plan of TNTPO at an approved cost of Rs.308.75 crore including GSt. After the expansion, there will be a total of 2 convention centres and 5 halls for exhibitions in the total area of 35,677 square meters in an area of 34.61 acres of land.

### KARNATAKA TRADE PROMOTION ORGANISATION (KTPO)

Located at a prime area in Whitefield, Bengaluru, it covers an area of 48.35 acres. It has an air-conditioned Exhibition Hall of 5,371 Sqmeters. 11 open exhibition areas have been constructed all around the exhibition hall for display of heavy equipment and machineries and for setting up of Food Courts, Business Centre etc. The Trade Centre is being managed by Karnataka Trade Promotion Organisation (KTPO), a joint venture of ITPO and Karnataka Industrial Area Development Board (KIADB). During 2021-22, 03 events were held in Trade Centre, Bengaluru. KTPO earned a total income of Rs.3.95 crore as compared to Rs.5.86 crore in the previous year. The net surplus is Rs.1.31 crore as against the net surplus of Rs.3.08 crore in the previous year.

The Board has approved the construction of a multi-purpose (convention/exhibition) hall with an area of 7633 sq meters. under expansion plan of KTPO and the estimated project cost is Rs.67.59 crore. The construction work for the same was started during the year 2018-19 and it will be completed in the year 2022. After the expansion, there would be 2 halls for conducting exhibitions and conventions with a total exhibiting area of 14,504 SqMeters.

### ITPO SERVICES LIMITED (ISL)

A Special Purpose Vehicle (SPV) is formed by ITPO as a 100% subsidiary registered with the name “ITPO Services Limited” a Private Company under Companies Act 2013 as a “for profit” company (non-Section 8 company). The SPV has an authorized share capital of Rs.10 lakhs divided into 10,000/- (Ten Thousand) shares of Rs. 100 each and issued & paid-up share capital of Rs.5 lakhs (5,000 shares of Rs. 100 each) to be contributed by ITPO as its capital contribution.

The main objects of ITPO Services Limited are to promote/undertake hospitality and F&B services including facilitating a 5-star hotel, conferences/ exhibitions/ display of products/ event management and other activities ancillary and/ or incidental to trade promotion and any other commercial activities in and around Pragati Maidan or any other area within or outside India.

## 19. SUBSIDIARIES AND ASSOCIATE COMPANIES

A Statement containing salient features of the financial statements of subsidiaries/associate companies/joint ventures, pursuant to section 129 of the Companies Act, 2013 forms part of this report (Annexure - I).

## 20. THE EXTRACT OF ANNUAL RETURN, AS PROVIDED UNDER SUB SECTION (3) OF SECTION 92 OF COMPANIES ACT 2013, FORMS PART OF THIS REPORT (ANNEXURE- II).

## 21. FIXED DEPOSITS, LOANS, GUARANTEES OR INVESTMENTS

During the year, the Company has not accepted any public deposits under Section 73 of the Companies Act, 2013 and Rules made there under.

## 22. RELATED PARTIES TRANSACTIONS

Related Parties transactions have been reported (Refer disclosure at Note no. 35.17 of the Annual Financial Statements).

## 23. AUDITORS

M/s. P.D. Agrawal & Co., Chartered Accountants, New Delhi were appointed as Statutory Auditors of the Company for the Financial Year 2020-21 by the Comptroller and Auditor General (C&AG) of India.

## 24. STATUTORY AUDITORS' REPORT

The Statutory Auditor's Report (Annexure-III) is part of Director's Report.

The comments of CAG on the annual accounts of the Company for the year ended 31st March, 2021 forms part of this report. (Annexure-IV& V).

## 25. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures. IFCS audit has been conducted and reported to the Board.

## 26. CORPORATE GOVERNANCE

The Board of Directors, the Audit Committee and the Remuneration Committee have been constituted in line with the Guidelines of DPE on Corporate Governance. Both the Board as well as the Audit Committee have been meeting at regular intervals.

The Company submitted the annual report in Compliance with DPE's Guidelines on Corporate Governance to the Department of Commerce during 2021-22, within the specified timelines and reported an Annual Average Pro-rata Score of 95.91% to qualify for an 'Excellent' Grade. A detailed report is set out and appended which



forms part of this report (Annexure-VI &VII).

## 27. RISK MANAGEMENT

Your Company regularly analyses the risks related to its operations and all steps were taken to manage & mitigate the known risks by insurance & other means.

## 28. RIGHT TO INFORMATION (RTI)

All RTI applications and appeals have been settled in time. Further, RTI Cell has implemented Transparency Audit of CIC in ITPO within its time limits.

## 29. CODE OF CONDUCT

ITPO has formulated a Code of Conduct for the Board of Directors and Senior Management Personnel. The confirmation of compliance of the same is obtained from all concerned on annual basis. All Board Members and Senior Management Personnel have given their confirmation of compliance for the year under review. A declaration, duly signed by CMD, is annexed to this report. (Annexure-VIII).

## 30. CORPORATE SOCIAL RESPONSIBILITY (CSR)

ITPO has been strictly adhering to the CSR and Sustainability Guidelines issued by Department of Public Enterprises and the applicable Act & Rules of the Companies Act 2013. The CSR initiatives/activities are implemented and monitored accordingly. The detailed policy about CSR initiatives of ITPO is available at http://www.indiatradefair.com/csr.php.

On recommendations of the CSR Committee, the Board had decided the following:

(i) To consider CSR activities contributing to the Central Government Funds as specified in Schedule VII of the Companies Act 2013 such as The Prime Minister's Citizen Assistance & Relief in Emergency Situations Fund (PM CARES Fund) etc.

(ii) The Board deliberated at length and decided to contribute one-third each out of the available CSR funds of Rs.728.60 lakhs, in the three Schedule VII funds i.e. PM CARES Fund, Swatchata Kosh & Ganga Kosh. The complete details of CSR initiatives by ITPO are enclosed at Annexure-IX

For the year 2021-22, ITPO also contributed Oxygen Concentrators and AEBU to District Administration, Sonepat (Haryana) and FA Value with Humidifier Bottle to District Administration, Hazaribagh-835301, Jharkhand under Aspirational District category.

## 31. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report has separately been appended herewith and forms part of this Report. (Annexure-X).

## 32. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

### (A) Conservation of Energy:

The Company's activities do not involve continuous consumption of energy. However, necessary conservation measures, to the maximum extent, have already been implemented like limited use of lights, fans, air conditioners, etc.

### (B) Technology Absorption:

The Company has not absorbed any technology from any source. ITPO is in the service sector and being a trade promotion organisation, the company is taking every necessary step to increase exports for the country.

### (C) Foreign Exchange Earnings And Outgo

| | Current Year (2021-22) (Rs. In crore) | Previous Year (2020-21) (Rs. In crore) |
|---|---|---|
| Earnings | 105.82 | - |
| Outgo | 206.75 | 0.16 |

### 33. DIRECTORS' RESPONSIBILITY STATEMENT

As stipulated in Section 134(5) of the Companies Act, 2013, the Directors subscribe to the "Directors' Responsibility Statement" and confirm as under:

I. That, in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

II. That, the Directors have selected such accounting policies and applied them consistently and made estimates that are reasonable and prudent so as to give a true and fair view of the financial year and of income over expenditure of the Company for that period;

III. That, the Directors have taken proper and sufficient care of the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

IV. That, the Directors have prepared the annual accounts on a going concern basis;

V. The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and operating effectively;

VI. That, the Directors had devised proper systems to ensure compliance with provisions of all applicable laws and that such systems were adequate and operating effectively.

### 34. ACKNOWLEDGEMENTS

We are thankful to the Central Government Ministries and Departments, particularly the Ministry of Commerce and Industry, Ministry of Housing and Urban Affairs, Ministry of External Affairs including Indian Missions, Ministry of MSME for their continued guidance and assistance. The Directors are also grateful to State Governments, Public Sector Enterprises, Central Public Works Department, PWD, DJB, BSES, South Delhi Municipal Corporation (SDMC), Delhi Police, Mahanagar Telephone Nigam Limited and other agencies and individuals for their willing co-operation extended to ITPO. The Board of Directors is also grateful to the Comptroller and Auditor General of India, Department of Public Enterprises and Ministry of Corporate Affairs for their valuable co-operation.

For and on behalf of the Board of Directors

Sd/-
**(Pradeep Singh Kharola)**
Chairman and Managing Director
DIN No. 05347746

Place: New Delhi

Date: 31/10/2022

**Annexure- I**

**Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures**

**Part "A": Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in Rs.)

| Sl. No. | Particulars | Details | | |
|---|---|---|---|---|
| 1. | Name of the subsidiary as on 31.3.2022 | Tamilnadu Trade Promotion Organisation **(Rs. in lakhs)** | Karnataka Trade Promotion Organisation **(Rs. in lakhs)** | ITPO Services Ltd. **(Rs. in '000)** |
| 6. | Reserves & surplus | 31019.33 | 12445.99 | -44.99 |
| 7. | Total assets | 36958.12 | 14891.56 | 476.71 |
| 8. | Total Liabilities | 5937.79 | 445.57 | 21.70 |
| 9. | Investments | 0 | 0 | 0 |
| 10. | Turnover | 1209.36 | 51.87 | 0 |
| 11. | Profit/ (Loss) before taxation | 388.51 | 131.54 | -21.73 |
| 12. | Provision for taxation | 0 | 0 | 0 |
| 13. | Profit / (Loss) after taxation | 388.51 | 131.54 | -21.73 |

**Notes:** The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations ITPO Services Limited..

## Part “B”: Associates and Joint Ventures

**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

1. Names of associates or joint ventures which are yet to commence operations.

2. Names of associates or joint ventures which have been liquidated or sold during the year.

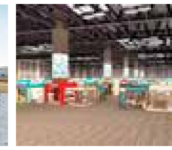
**Note:** This Form is to be certified in the same manner in which the Balance Sheet is to be certified.

| **Name of associates/Joint Ventures** | **Name 1** | **Name2** |
|---|---|---|
| 1. Latest audited Balance Sheet Date:31 March,2022 | National Centre for Trade Information (Under Liquidation) | Jammu & Kashmir Trade Promotion Organisation |
| 2. Date on which the Associate or Joint Venture was associated or acquired | 31.03.1995 | 30.05.2018 |
| 3. Shares of Associate/Joint Ventures held by the company on the year end | | |
| No. | 2,00,000 | 2,20,000 |
| Amount of Investment in Associates/Joint Venture | Rs.2,00,00,000/- | Rs.2,20,00,000/- |
| Extend of Holding% | 50% | 42.05% |
| 4. Description of how there is significant influence | There is significant influence due to 50% share capital held by ITPO | There is significant influence due to 40% share capital held by ITPO (holding voting right more than 20%) |
| 5. Reason why the associate/joint venture is not consolidated | Ind AS-28 | Ind AS-28 |
| 6. Net worth attributable to shareholding as per latest audited Balance Sheet | Under Liquidation | Rs. 6,27,56,983 |
| 7. Profit/Loss for the year | | |
| I. Considered in Consolidation | Under Liquidation | Rs. 64,37,743 |
| II. Not Considered in Consolidation | Under Liquidation | Rs. 88,71,991 |

Sd/-
(S.R. Sahoo)
Company Secretary & General Manager

Sd/-
(Pradeep Singh Kharola)
Chairman & Managing Director





**Annexure-II**

**Form No. MGT-9**

**EXTRACT OF ANNUAL RETURN**

**as on the financial year ended on 31st March, 2022**

**Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014**

## I. REGISTRATION AND OTHER DETAILS:

| | | |
|---|---|---|
| i) | CIN | U74899DL1976NPL008453 |
| ii) | Registration Date | 30/12/1976 |
| iii) | Name of the Company | INDIA TRADE PROMOTION ORGANISATION |
| iv) | Category / Sub-Category of the Company | Mini- Ratna Category-1 |
| v) | Address of the Registered office and contact details | Pragati Maidan,New Delhi-110001<br>Tel. : 91-11-23371540 (EPABX)<br>Fax : 91-11-23371492, 23371493<br>email : info@itpo.gov.in |
| vi) | Whether listed company | ~~Yes~~ / No |
| vii) | Name, Address and Contact details of Registrar and Transfer Agent, if any | N/A |

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

**All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-**

| Sl. NO. | Name and Description of main products/ services | NIC Code of the Product/ services | % to Total turnover of the company |
|---|---|---|---|
| 1 | Organising Fairs/ Exhibitions for promotion of India's trade | - | 100% |
| 2 | - | - | - |
| 3 | - | - | - |

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

| S.NO | NAME AND ADDRESS OF THE COMPANY | CIN/GIN | HOLDING/ SUBSIDIARY/ ASSOCIATE | % of shares held | Applicable Section |
|---|---|---|---|---|---|
| 1 | Tamilnadu Trade Promotion Organisation CTC Complex Nandambakkam Chennai 600089 | U91120TN2000NPL046140 | SUBSIDIARY | 51% | Sec.25 now Sec.8 |
| 2 | Karnataka Trade Promotion Organisation Plot No.121,Road No.5,EPIP,2nd Phase, Whitefield Industrial Area, Bengaluru – 560066 | U92490KA2000NPL028238 | SUBSIDIARY | 51% | Sec.25 now Sec.8 |
| 3 | ITPO Services Limited Pragati Bhawan Pragati Maidan, New Delhi- 10001 | U55209DL2020GOI363949 | SUBSIDIARY | 100% | Non section 8 Company |
| 4 | Jammu & Kashmir Trade Promotion Organisation Jammu and Kashmir Industries, Old Secretariat, Srinagar 190001 | U93090JK2018NPL010473 | ASSOCIATE | 42.05% | Sec.8 |
| 5. | National Centre For Trade Information Hall # 19, Pragati Maidan, New Delhi – 110001 | U74899DL1995NPL067008 | ASSOCIATE | 50% | Sec.25 now Sec.8 |

## IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

### (I) CATEGORY-WISE SHARE HOLDING

| Category of shareholders | No. of shares held at the beginning of the year | No. of shares held at the end of the year | % Change during the year |
|---|---|---|---|
| **A. Promoters**<br>(1) Indian | - | - | - |
| (a) Individual/ HUF | - | - | - |
| (b) Central Govt<br>• President of India (24998)<br>• CommerceSecretary, DOC(1)<br>• CMD,ITPO (1) | 25000 | 25000 | 0% |
| (a) State Govt(s) | - | - | - |
| (b) Bodies Corp. | - | - | - |
| (c) Banks/FI | - | - | - |
| (d) Any Other | - | - | - |

| | | | |
|---|---|---|---|
| **Sub-total (A)(1):-** | 25000 | 25000 | 0% |
| **(2) Foreign** | - | - | - |
| (a) NRIs - Individuals | - | - | - |
| (b) Other - Individuals | - | - | - |
| (c) Bodies Corp | - | - | - |
| (d) Banks / FI | - | - | - |
| (e) Any Other…. | - | - | - |
| **Sub-total (A) (2):-** | - | - | - |
| **Total shareholding of Promoter (A) = (A)(1)+(A)( 2)** | 25000 | 25000 | 0% |
| **B. Public Shareholding**<br>**1. Institutions** | - | - | - |
| (a) Mutual Funds | - | - | - |
| (b) Banks/FI | - | - | - |
| (c) Central Gov | - | - | - |
| (d) State Govt(s) | - | - | - |
| (e) Venture Capital Funds | - | - | - |
| (f) Venture Capital Funds | - | - | - |
| (g) Insurance Companies | - | - | - |
| (h) FIIs | - | - | - |
| (i) Foreign Venture Capital Funds | - | - | - |
| (j) Others (specify) | - | - | - |
| **Sub-total (B)(1):-** | - | - | - |
| **2. Non Institutions**<br>a) Bodies Corp. | - | - | - |
| i) Indian | - | - | - |
| ii) Overseas | - | - | - |
| (b) Individuals | - | - | - |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh | - | - | - |
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | - | - | - |
| (c) Others (specify) | - | - | - |
| **Sub-total (B)(2):-** | - | - | - |
| **Total Public Shareholding (B) = (B)(1)+(B)( 2** | - | - | - |
| **C. Shares held by Custodian for GDRs & ADRs** | - | - | - |
| **Grand total (A+B+C)** | 25000 | 25000 | 0% |

## (II) SHAREHOLDING OF PROMOTERS

| SL. NO. | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | |
|---|---|---|---|---|---|---|---|---|
| | | No. of Shares | % of total Shares of the company | % of shares pledged / encumb erred to total shares | No. of Shares | % of total Shares of the company | % of Shares Pledged/ encunberred to total shares | % change in share holding during the year |
| 1 | President of India | 24998 | 99.98% | NO | 24998 | 99.98% | NO | 0% |
| 2 | Commerce Secretary, DOC | 1 | 0.01% | NO | 1 | 0.01% | NO | 0% |
| 3 | CMD,ITPO | 1 | 0.01% | NO | 1 | 0.01% | NO | 0% |
| | Total | 25000 | 100% | NO | 25000 | 100% | NO | 0% |

## (III) CHANGE IN PROMOTERS' SHAREHOLDING (PLEASE SPECIFY, IF THERE IS NO CHANGE)

| SL. NO. | | Shareholding at the beginning of the year | | Cumulative shareholding during the year | |
|---|---|---|---|---|---|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | At the beginning of the year | NA | - | NA | - |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | - | - | - | - |
| | At the End of the year | NA | - | NA | - |

**(IV)SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS):**

| SL. NO. | | Shareholding at the beginning of the year | | Cumulative shareholding during the year | |
|---|---|---|---|---|---|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | At the beginning of the year | NA | - | NA | - |
| | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | - | - | - | - |
| | At the End of the year | NA | - | NA | - |

**(V) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

| Sl. No | | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---|---|---|---|---|---|
| | **For Each of the Directors and KMP** | **No. of shares** | **% of total shares of the company** | **No. of shares** | **% of total shares of the company** |
| | At the beginning of the year | CMD,ITPO (1) | .01% | CMD,ITPO (1) | .01% |
| | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc): | NIL | - | NIL | - |
| | At the End of the year | CMD,ITPO (1) | .01% | CMD,ITPO (1) | .01% |

## VI. INDEBTEDNESS

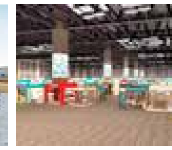
### INDEBTEDNESS OF THE COMPANY INCLUDING INTEREST OUTSTANDING/ACCRUED BUT NOT DUE FOR PAYMENT

| | Secured loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|---|---|---|---|---|
| **Indebtedness at the beginning of the financial year**<br>(i) Principal Amount | Rs. 3,36,26,43,335.00 | NIL | - | NIL |
| (ii) Interest due but not Paid | NIL | - | - | - |
| (iii) Interest accrued but not due | Rs. 2,10,07,899.00 | - | - | NA |
| **Total (I + ii+ iii)** | Rs. 3,38,36,51,234.00 | - | - | - |
| **Change in Indebtedness during the financial year** | | - | - | - |
| • Addition | Rs. 1,21,35,83,831 | - | - | - |
| • Reduction | Rs. 313221107.00 | - | - | - |
| **Net Change** | Rs. 90,03,62,724.00 | - | - | - |
| **Indebtedness at the end of the financial year**<br>i) Principal Amount | Rs.4,25,92,25,317.00 | - | - | - |
| ii) Interest due but not paid | NIL | - | - | - |
| iii) Interest accrued but not due | Rs. 2,47,88,641.00 | - | - | - |
| **Total (I + ii+ iii)** | Rs. 4,28,40,13,958.00 | - | - | - |

## VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER:

| Sl. No. | Particulars of Remuneration | Name of the MD/WTD/Manager | | | |
|---|---|---|---|---|---|
| | | CMD (Sh. L.C Goyal) (INR) | ED (Sh. Rajesh Agrawal) (INR) | ED (Sh. Vibhu Nayar) (INR) | Total Amount (INR) |
| 1. | **Gross salary**<br>**(a) Salary as per provisions contained in section 17(1) of the Income- tax Act, 1961** | 22,59,000 | 10,39,479 | 19,30,922 | 52,29,401 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | 25,51,620 | 1,95,028.80 | 1,74,530 | 29,21,179 |
| | (c) Profits in lieu of salary under section 17(3) Income tax Act, 1961 | - | - | - | - |



| | | | | | |
|---|---|---|---|---|---|
| 2 | Stock Option | - | - | - | - |
| 3 | Sweat Equity | - | - | - | - |
| 4 | Commission<br>-as % of profit<br>-others, specify….. | - | - | - | - |
| 5 | Others, please specify….. | - | - | - | - |
| | **Total (A)** | 48,10,620 | 12,34,507.80 | 21,05,452.00 | 81,50,580 |
| | **Ceiling as per the Act** | | | | |

**B. REMUNERATION TO OTHER DIRECTORS:**

| Sl. No. | Particulars of Remuneration | Name of Directors | Total Amount |
|---|---|---|---|
| 1. | **Independent Directors**<br>● Fee for attending board committee meetings | **Shri V.G. Aravindanayagi**<br>Rs. 20,000/- per meeting,<br><br>**Rear Admiral Rahul Kumar Shrawat**<br>Rs 20,000/-per meeting<br>**Shri. Om Prakash Chalaniwale**<br>Rs 20,000/-per meeting | Rs. 160,000/-<br><br>Rs. 180,000/-<br><br>Rs. 60,000/- |
| | Commission | - | - |
| | Others, please specify(Air Travel) | - | - |
| | **Total (1)** | - | - |
| 2. | **Other Non-Executive Directors**<br>● Fee for attending board committee meetings | NIL | NIL |
| | Commission | - | - |
| | Others, please specify | - | - |
| | **Total (2)** | NIL | NIL |
| | **Total (B)=(1+2)** | - | - |
| | **Total Managerial Remuneration** | | |
| | **Overall Ceiling as per the Act.** | | |

## C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

| Sl. No. | Particulars of remuneration | Key Managerial Personnel | | | | Total (INR) |
|---|---|---|---|---|---|---|
| | | CEO | Company Secretary (Sh. S. R Sahoo) | CFO (D. M Sharma) | i/c CFO (Sh. R. K Thakur) | |
| 1 | **Gross Salary** | | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961. | NA | 23,99,520 | 12,21,674 | 20,31,747 | 56,52,937 |
| | (b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961 | - | 55,645 | 12,520 | 1,35,224 | 2,03,389 |
| | (c ) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961 | - | - | - | - | - |
| 2 | Stock Option | - | - | - | - | - |
| 3 | Sweat Equity | - | - | - | - | - |
| 4 | Commission | - | - | - | - | - |
| | as % of profit | - | - | - | - | - |
| | others, specify | - | - | - | - | - |
| 5 | Others, please specify | - | - | - | - | - |
| | **Total** | - | **24,55,165** | **12,34,194** | **21,66,967** | **58,56,326** |

## VIII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

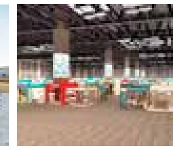
| Type | Section of the Companies Act | Brief Description | Details of Penalty/ Punishment/ Compounding fees imposed | Authority (RD/NCLT/ Court) | Appeal made if any (give details) |
|---|---|---|---|---|---|
| **A. COMPANY** | | | | | |
| Penalty | | | | | |
| Punishment | | | NIL | | |
| Compounding | | | | | |
| **B. DIRECTORS** | | | | | |
| Penalty | | | | | |
| Punishment | | | NIL | | |
| Compounding | | | | | |
| **C. OTHER OFFICERS IN DEFAULT** | | | | | |
| Penalty | | | | | |
| Punishment | | | NIL | | |
| Compounding | | | | | |



**Annexure-III**

| INDEPENDENT AUDITOR'S REPORT | Management Replies |
|---|---|
| To the Members of 'India Trade Promotion Organisation'<br><br>Report on the Audit of the Standalone Financial Statements<br><br>**Qualified Opinion**<br><br>We have audited the accompanying Standalone Financial Statements of 'India Trade Promotion Organisation' (the "Company"), which comprise the Standalone Balance Sheet as at 31st March, 2022, the Standalone Statement of Income and Expenditure (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year then ended, and notes to the Standalone financial statements including a summary of the significant accounting policies and other explanatory information.<br><br>In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and a true and fair view in conformity with accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its deficit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.<br><br>**Basis for Qualified Opinion** | |
| **1.** We draw attention to Note no. 35.8(h) of Standalone Financial Statements wherein the net income from the newly constructed halls (A2-A5) for the financial year 2021-22 amounting to Rs. 4,537.94 lakhs has been capitalized.<br><br>Herein, the amount Rs. 4,537.94 lakhs includes pre inauguration income of Rs. 273.53 lakhs, post inauguration income of Rs. 4,771.44 lakhs and post inauguration expenses of Rs. 507.03 lakhs.<br><br>The said halls were inaugurated by the Hon'ble Prime Minister of India dated 13th October, 2021. The income earned amounting to Rs. 4,771.44 lakhs and expenses incurred amounting to Rs. 507.03 lakhs on 12 fairs (including IITF) held in these newly constructed halls A2 to A5 consequent to the date of inauguration have however, | The capitalization of the income and expenses on new halls (A2-A5) has been made as the possession of halls is not yet taken over by the company due to technical deficiencies in deliverables as per the contract with the PMC. The facts are appropriately disclosed in the Financial Statements. |

| | |
|---|---|
| been capitalized by the management considering them as trail runs. In our opinion, the said income and expenses from these halls should not have been capitalized.<br><br>In view of the aforesaid, the management has understated its Total Revenue from operations by Rs. 4,771.44 Lakhs and understated its expenses by Rs. 507.03 Lakhs; it has also resulted in the understatement of Capital Work in Progress (IECC) by Rs. 4,264.41 Lakhs. | |
| **2.** The reconciliation of the discrepancies of fixed assets as per physical verification report as on 29th March, 2022 is under progress, as explained in Note no. 3.3 of the Standalone Financial Statements. The consequential financial impact on excess of income over expenditure and on assets could not be ascertained as it has not been quantified. | The financial impact is considered immaterial based on the past reconciliations. The facts are appropriately disclosed in the Financial Statements. |
| We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the Standalone Financial Statements.<br><br>**Emphasis of Matter**<br><br>**1.** We draw attention to note no. 35.8(c) of the Standalone Financial Statements, in reference to THE INDIAN HOTELS COMPANY LTD. (IHCL) Versus UNION OF INDIA AND ORS. During the Year 2018-19, Bid security amounting to Rs. 2,000 lakhs was received from IHCL as one of the qualified bidders for ITPO's proposal for developer cum operator for 5-star hotel at Pragati Maidan. However, due to non-participation of one bidder in further bidding process, the said bid process was cancelled due to lack of competition and the bid security of Rs. 2,000 lakhs received from the IHCL, was forfeited. ITPO paid the GST amounting to Rs. 305.08 lakhs on the forfeiture amount treating balance 1694.92 lakhs as exceptional income for the said year. | |



IHCL filed a writ petition against forfeiture of its bid security before the Hon'ble Delhi High Court in Aug'2019 which was contested by the Company wherein the Court pronounced a judgment dated 31st March, 2022 directing ITPO to refund the total forfeited amount of Rs. 2,000 Lakhs to IHCL.

Therefore, ITPO made a provision of Rs. 2,000.00 lakhs by debiting Rs. 1,694.92 lakhs in “Exceptional Expenses” and the balance of Rs. 305.08 lakhs has been recorded as recoverable from the GST *Department* in “GST credit” under “Other Current Assets”;

Our opinion is not modified in respect of this matter.

**Information other than the Standalone Financial Statements and Auditor’s Report thereon**

The Company’s Board of Directors is responsible for the preparation of the other information. The other information comprises the Report of the information included in the Annual report, but does not include the Standalone Financial Statements and our auditor’s report thereon, which is expected to be made available to us after the date of this Auditor’s Report.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the Report of the Board of Directors’, including annexures, if any, thereon, If we conclude that there is a material misstatement of this other information; we are required to communicate the matter to those charged with governance.

**Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance

| | |
|---|---|
| including other comprehensive income, cash flows and changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.<br><br>This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.<br><br>In preparing the Standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.<br><br>The Board of Directors are also responsible for overseeing the company's financial reporting process.<br><br>**Auditor's Responsibilities for the Audit of the Financial Statements**<br><br>Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. | |

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

• Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

• Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

• Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

| | |
|---|---|
| Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in<br><br>• planning the scope of our audit work and in evaluating the results of our work; and<br><br>• to evaluate the effect of any identified misstatements in the Standalone Financial Statements.<br><br>We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.<br><br>We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with the mall relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.<br><br>From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore reported in Basis of Qualified Opinion para and Emphasis on matter para. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.<br><br>**Report on Other Legal and Regulatory Requirements**<br><br>1. As required by the provisions of 'Companies (Auditor's Report) Order, 2020' ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act is not applicable to the company in terms of paragraph 1 sub para 2(iii) of Companies (Auditors Report's) Order, 2020, as the company is licensed to operate under section 8 of the Companies Act, 2013. | |

2. We are enclosing our report in terms of section 143(5) of the Act, on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us by the management, in Annexure - 'A', on the directions and sub-directions issued by Comptroller and Auditor General of India.

3. Being a Government company, pursuant to notification no. GSR 463 (E) dated 5th June, 2015 of the Government of India, provision of section 197 of the Companies Act, 2013 is not applicable to the company

4. As required by Section 143(3) of the Act, we report that:

a) We have sought and except for the matter described in the Basis for Qualified Opinion paragraph obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

b) Except for the matter described in the Basis for Qualified Opinion paragraph, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c) The Standalone Balance Sheet, the Standalone Statement of Income and Expenditure (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this report are in agreement with the books of account;

d) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards ("Ind AS") specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

e) The matters described in Basis for Qualified Opinion paragraph and Emphasis on matter paragraph above, in our opinion, may have an effect on the functioning of the company;

f) Being a Government company, pursuant to notification no. GSR 463 (E) dated 5th June, 2015 of the Government of India, provision of sub section (2) of section 164 of the Companies Act, 2013 is not applicable to the company;

g) With respect to the adequacy of the internal financial controls with reference to financial statements of the company and the operating effectiveness of such controls, refer to our separate report in Annexure - 'B'; and

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 35.01 to the financial statements;

ii. The Company has made provision, as required under the applicable law or Indian accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. Being section 8 company, company is prohibited from the payment of dividend to its members hence the clause relating to transfer of amounts to the Investor Education and Protection Fund by the Company is not applicable.

iv. a) The management has represented that, to the best of its knowledge and belief, as disclosed in Note no. 35.23 to the Standalone Financial Statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, as disclosed in Note no. 35.23 to the Standalone Financial Statements, no funds have been received by the company from any person or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. Being section 8 company, company is prohibited from the payment of dividend to its members.

For P.D. Agrawal & Co.
Chartered Accountants
Firm Registration No. 001049C

-sd-
Sanjeev Agrawal
Partner
Membership No. 071427
UDIN:22071427BCRYUD1535

Place: New Delhi
Date: 31st October, 2022

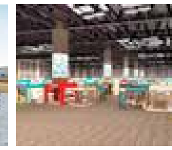
**Annexure - 'A' TO THE INDEPENDENT AUDITOR'S REPORT**

***(Referred to in paragraph 2 under `Report on other legal and regulatory requirements' section of the Independent Auditor's Report of even date on the Standalone financial statements of India Trade Promotions Organisation for the year ended 31st March, 2022)***

Directions and Sub-Directions issued by the Comptroller & Auditor General of India under section 143(5) of the Companies Act, 2013 in respect of annual accounts of India Trade Promotions Organisation for the year 2021-22.

| Sr. No. | Directions/ Sub Directions | Auditor's Responses | Action taken thereon by management | Impact on Standalone financial statements |
|---|---|---|---|---|
| **A** | **Directions** | | | |
| 1 | Whether the Company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated. | According to information and explanations given to us, the accounting transactions of the Company are accounted in 'Tally ERP9' accounting software and are not processed outside IT system. | No action is required | No Impact |
| 2 | Whether there is any restructuring of an existing loan or cases of waiver/ write off of debts/ loans/ interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. | According to information and explanations given to us, there is no restructuring of an existing loan or cases of waiver/ write-off of debts/ loans/ interest etc. made by a lender to the Company due to the Company's inability to repay the loan. | No action is required | No Impact |
| 3 | Whether funds received/ receivable for specific schemes from Central/ State agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation. | Funds for trade promotion are received/ receivable by ITPO from Central/ State agencies against specific schemes.<br><br>According to information and explanations given to | No action is required | No Impact |





| Sr. No. | Directions/ Sub Directions | Auditor's Responses | Action taken thereon by management | Impact on Standalone financial statements |
|---|---|---|---|---|
| | | us, Funds received/ receivable for specific schemes from Central/ State agencies were properly accounted for/ utilized as per its term and conditions. | | |
| **B** | **Sub-Directions** | | | |
| | NIL | | | |

For P.D. Agrawal & Co.
Chartered Accountants
Firm Reg. No. 001049C

-sd-
(Sanjeev Agrawal)
M. No.: 071427
UDIN: 22071427BCRYUD1535

Place: New Delhi
Dated: 31st October, 2022

**Annexure 'B' TO THE INDEPENDENT AUDITOR'S REPORT**
***(Referred to in paragraph 4(g) under `Report on other legal and regulatory requirements' section of the Independent Auditor's Report of even date on the Standalone financial statements of India Trade Promotion Organisation for the year ended 31st March, 2022)***

**Report on the Internal Financial Controls under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **'India Trade Promotion Organisation'** ("the Company") as at 31st March, 2022 in conjunction with our audit of the Standalone Financial Statements of the company for the year ended on that date.

**Responsibilities of management and those charged with governance for the Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013

**Auditor's responsibility for the audit of the Internal Financial Controls with reference to financial statements**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these Standalone Financial Statements was established and maintained and if such controls operated effectively in all material respects.

An audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these Standalone financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the internal financial controls over financial reporting with reference to these Standalone financial statements.

**Meaning of Internal Financial Controls over Financial Reporting with Reference to these Standalone Financial Statements**

A company’s internal financial control over financial reporting with reference to these Standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting with reference to these Standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone financial statements.

**Inherent limitations of Internal Financial Controls over Financial Reporting with reference to these Standalone Financial Statements**

Because of the inherent limitations of internal financial controls over financial reporting with reference to these Standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Qualified Opinion**

According to the information and explanations given to us and based on our audit, material weakness have been identified in the Company’s Internal Financial Controls over financial reporting as at March 31, 2022 with regards to the discrepancies observed during the Physical Verification of Fixed Assets with Fixed Asset Register due to lack of management’s responsibility of maintaining a proper Fixed Asset register. Also, pending reconciliation, the financial impact consequent to such reconciliation could not be ascertained.

A ‘material weakness’ is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company’s annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting with reference to these Standalone financial statements and such internal financial controls over financial reporting with reference to these Standalone financial statements were operating effectively as of March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**Explanatory Paragraph**

We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act, the Standalone Financial Statements of India Trade Promotion Organisation, which comprise the Balance Sheet as at March 31, 2022, and the related Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information, and our report dated 31st October, 2022, expressed a qualified opinion.

For P.D. Agrawal & Co.
Chartered Accountants
Firm Reg. No. 001049C

-sd-
(Sanjeev Agrawal)
M. No.: 071427
UDIN: 22071427BCRYUD1535

Place: New Delhi
Date: 31st October, 2022



**P. D. AGRAWAL & Co.**
Chartered Accountants
Office No. 214, Chanakya Complex
B-10-11, Pillar No. 43, Laxmi Nagar
New Delhi - 110 092
Mob.: 9415175421, 9621674146

**Independent Auditor's Report**
**to the Members of 'India Trade Promotion Organisation'**
**Report on the Audit of the Consolidated Financial Statements**

**Qualified opinion**

We have audited the accompanying consolidated financial statements of 'India Trade Promotion Organisation' (hereinafter referred to as the "Holding company") and its subsidiaries (the holding company and its subsidiaries together referred to as "the Group"), its jointly controlled entity and its associate which comprise the consolidated Balance Sheet as at 31st March, 2022, the consolidated Statement of Income and Expenditure (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of matters described in the 'Basis for qualified opinion' section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (thc 'Act') in the manner so required and givea true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the group, jointly controlled entity and associate as at 31st March, 2022 and its consolidated deficit(including other comprehensive income), its consolidated changes in equity and its consolidated cash flows for the year ended on that date.

**Basis for qualified opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of theAct. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the consolidated financial statements' section of our report. We are independent of the group, jointly controlled entity and associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statementsunder the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtainedis sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements, except forthe following matters:

B. O. : "Kailash Kuti", Ground Floor, 15/11-A, Civil Lines, Kanpur - 208 001
B. O. : 364-A, Govindpuri, Ranipur More, Haridwar, Uttarakhand - 249 407
E-mail : pdcom1950@gmail.com, ashishapoorva@hotmail.com

1. **Holding company - ITPO**

a) We draw attention to Note no. 40.10(h) of Consolidated Financial Statements wherein the net income from the newly constructed halls (A2-A5) for the financial year 2021-22 amounting to Rs. 4,537.94 lakhs has been capitalized.

Herein, the amount Rs. 4,537.94 lakhs includes pre inauguration income of Rs. 273.53 lakhs, post inauguration income of Rs. 4,771.44 lakhs and post inauguration expenses of Rs. 507.03 lakhs.

The said halls were inaugurated by the Hon'ble Prime Minister of India dated 13th October, 2021. The income earned amounting to Rs. 4,771.44 lakhs and expenses incurred amounting to Rs. 507.03 lakhs on 12 fairs (including IITF) held in these newly constructed halls A2 to A5 consequent to the date of inauguration have however, been capitalized by the management considering them as trail runs. In our opinion, the said income and expenses from these halls should not have been capitalized.

In view of the aforesaid, the management has understated its Total Revenue from operations by Rs. 4,771.44 Lakhs and understated its expenses by Rs. 507.03 Lakhs; it has also resulted in the understatement of Capital Work in Progress (IECC) by Rs. 4,264.41 Lakhs.

b) The reconciliation of the discrepancies of fixed assets as per physical verification report as on 29th March, 2022 is under progress, as explained in Note no. 3.03 of the Consolidated Financial Statements. The consequential financial impact on excess of income over expenditure and on assets could not be ascertained as it has not been quantified.

2. **Subsidiary company – KTPO**

**Non- Provision of Income Tax**

The Company's charitable status has been challenged by the Income Tax department and matter is subjudice. Given this situation, the Company has to make provision in the books for the Income Tax liability at least for those years where demand has already been raised by the Income Tax Department.

As per the Note 40.05(iii) of Consolidated Financial Statement regarding the status of the pending litigations with the Income Tax department, the details are as follows:

"The Company had obtained exemption u/s 10(23C)(iv) of Income Tax Act, 1961 up to assessment year 2008-09. The Company applied for extension of exemption for the assessment years 2009-10, 2010-11, and 2011-12.

The Chief Commissioner of Income Tax has passed orders rejecting the applications for renewal of approval u/s 10(23C) (iv) of Income Tax Act, 1961.
The Company had filed writ petition in the Hon'ble High Court of Karnataka, challenging the rejection

orders of the Chief Commissioner of Income Tax. The Hon'ble High court of Karnataka passed orders setting aside the orders passed by the Chief Commissioner of Income Tax u/s 10(23C)(iv) of Income Tax Act rejecting the renewal of approval as sought by the Company, at the same time directing the department to decide on withdrawal or otherwise of the registration when such an occasion arising in future.

For Assessment Years 2010-11 to 2014-15, the Assessing Officer had denied the exemption claimed by the Company u/s 11/ 10(23c)(iv) by applying the amendment of Sec. 2(15) of the Income Tax Act by the Finance Act 2008.

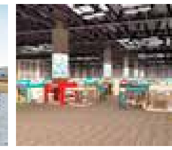
The Status of the Income Tax Assessments are as follows:

| Assessment year | Demand Raised (Rs.) | TDS receivable as per books of account (Rs.) | Current Position | Section under which Assessment done |
|---|---|---|---|---|
| 2009-10 | Assessment pending | 7.16 lakhs | Assessment pending | - |
| 2010-11 | Nil | 8.35 lakhs | Appeal filed against Assessment allowed. Appeal filed by the Department before Appellate Tribunal dismissed. | 143 (3) |
| 2011-12 | 58.31 lakhs | 31.38 lakhs | Appeal filed against Assessment allowed. Department's appeal in Appellate Tribunal pending. | 143 (3) |
| 2012-13 | 110.47 lakhs | 48.80 lakhs | Appeal filed against Assessment allowed. Department's appeal in Appellate Tribunal pending. | 143 (3) |
| 2013-14 | 238.80 lakhs | 70.50 lakhs | Appeal filed and pending. | 143 (3) |
| 2014-15 | 158.75 lakhs | 83.57 lakhs | Appeal filed and pending. | 143 (3) |

**Branch Offices**
**15/11-A, Kailash Kuti Apartments, Civil Lines, Kanpur-208001**
**364-A, Govindpuri Haridwar-249403**

| | | | | |
|---|---|---|---|---|
| 2015-16 | Pending | 95.06 lakhs | Assessment pending | |
| 2016-17 | 239.83 lakhs | 70.53 lakhs | Appeal filed with Asst. Commissioner of Income Tax (Appeals) against the intimation received u/s 143(1) pending. | |
| 2017-18 | Nil | 321.37 lakhs | Assessment Completed | 143 (3) |
| 2018-19 | Assessment completed | - | Assessment Completed with a demand of Rs.1155.17 lakhs. Appeal filed against the demand with Commissioner of Income Tax (Appeals) NFAC against the order under section 143(3) rws 143(3A) and 143(3B) on 21.9.2021, on 31-03-2022 received an order under section 154 read with section 143(3) wherein the demand is revoked | 143(3) |
| 2019-20 | Assessment pending | 76.89 lakhs | Assessment pending | - |
| 2020-21 | Assessment pending | 64.40 lakhs | Assessment pending | - |
| 2021-22 | Assessment pending | 42.64 lakhs | Assessment pending | - |
| 2022-23 | Assessment pending | 34.21 lakhs | Assessment pending | - |

The Company had received notice from the Additional Commissioner of Income Tax (Tech- I) proposing to cancel the approval granted under section 10 (23c) (iv) of the Income Tax Act for the Assessment Years 2003-04 to 2008-09 with effect from 1.4.2009, (i.e.; from the date of amendment of section 2(15) and onwards). The Company had filed written submissions for reconsideration of the notice and no further communications have been received by the Company in this regard.



The Company had also received Show Cause Notice for cancellation of registration under section 12AA of the Income Tax Act. In response, the Company had made representation to the Income Tax department for non-cancellation of registration. Decision in this regard is still awaited.

For the Assessment year 2016-17, the assessing officer issued intimation on 17.3.2018 under section 143(1) of the Income Tax Act disallowing claim of accumulation since Form 10 (in electronic mode) was not submitted within due date. An appeal has been filed before the Assistant Commissioner of Income Tax (Appeals) to condone the delay which is pending.

For the Assessment year 2018-19, the assessing officer issued an assessment order under section 143(3) read with section 143(3A), 143(3B) of the Income Tax Act raising a demand of Rs.1155.17 lakhs against which the Company has filed an appeal before the Commissioner of Income Tax (Appeals)(NFAC) on 21.9.2021, on 31-03-2022 the Company has received an order under section 154 read with section 143(3) wherein the demand is revoked.

The Company has not made any provision towards Income Tax liability in the financial Statements. It has shown in the said statements an amount of Rs.567.18 lakhs as Tax refundable by the Income Tax department. However, the department has adjusted/retained these amounts against its demands."

Considering the above facts, and the amended provisions of section 2(15) of the Income Tax Act, the Company should have provided for the Income Tax for the Assessment years 2011-12, 2012-13, 2013-14, 2014-15, 2016-17, for which demand is raised as reported in the details given above. For the other financial years, we are unable to quantify the amount of provision in the absence of required information/ details.

**Material uncertainty related to going concern**

1. **Subsidiary company – ITPO Services Limited (ISL)**

   ISL has not yet started the operations for which it was incorporated, So, there is material uncertainity regarding the going concern of the entity.

2. **Jointly controlled entity – NCTI**

   We draw attention that the winding up proceedings of NCTI have been initiated with the approval of the Cabinet and the liquidator has been appointed in the AGM dated 26th November, 2021. Hence the company is under liquidation. (Refer note no. 40.23(d) of the Consolidated Financial Statements).

**Emphasis of matter**

We draw attention to the following matters in the notes to the consolidated financial statements:

1. **Holding company – ITPO**

a) We draw attention to note no. 40.10(c) of the Consolidated Financial Statements, in reference to THE INDIAN HOTELS COMPANY LTD. (IHCL) Versus UNION OF INDIA AND ORS. During the Year 2018-19, Bid security amounting to Rs. 2,000 lakhs was received from IHCL as one of the qualified bidders for ITPO's proposal for developer cum operator for 5-star hotel at Pragati Maidan. However, due to non-participation of one bidder in further bidding process, the said bid process was cancelled due to lack of competition and the bid security of Rs. 2,000 lakhs received from the IHCL, was forfeited. ITPO paid the GST amounting to Rs. 305.08 lakhs on the forfeiture amount treating balance 1694.92 lakhs as exceptional income for the said year.

IHCL filed a writ petition against forfeiture of its bid security before the Hon'ble Delhi High Court in Aug' 2019 which was contested by the Company wherein the Court pronounced a judgment dated 31st March, 2022 directing ITPO to refund the total forfeited amount of Rs. 2,000 Lakhs to IHCL.

Therefore, ITPO made a provision of Rs. 2,000.00 lakhs by debiting Rs. 1,694.92 lakhs in "Exceptional Expenses" and the balance of Rs. 305.08 lakhs has been recorded as recoverable from the GST Department in "GST credit" under "Other Current Assets";

2. **Subsidiary company – KTPO**

a) We draw attention to Note 40.20(iii) of the Consolidated Financial Statements wherein the Company has disclosed unspent CSR expenditure of Rs.34.40 lakhs as on 31st March 2022. The Companies Act mandates that in case the Company fails to spend the requisite sum to meet its CSR obligation within the financial year, it shall fulfil its obligation by transferring the unspent amount to any fund included in the under Schedule VII of the Companies Act.
The Company had unspent CSR expenditure of Rs.23.16 lakhs as on 31.3.21, which was to be transferred to specified funds within 30.9.2021 as per Sch VII of the Companies Act. During the year 21-22, the Board of Directors resolved to deploy these funds in ongoing projects along with the current year's allocation of Rs.11.24 lakhs.

3. **Subsidiary company – TNTPO**

a) Based on Note no.40.20(ii) of the Consolidated Financial Statements on "Corporation Social Responsibility(CSR)", it is observed that there is unspent CSR amount accumulated to the tune of Rs.124.66 lakhs since 2018-19.To the extent of Rs. 124.66 lakhs (unspent CSR),the Company has to comply with mandatory CSR expenditure provisions in Companies Act,2013 as on 31 March 2022.

b) 'Service Tax Recoverable' item under Note 18 'Other Current Assets' of Consolidated Financial Statements amounting to Rs.37.49 Lakhs pertains to service tax paid on advances for which refund

claim has been filed by the Company. The Appeal is pending with the Commissioner of GST & Central Excise, Appellate Tribunal (Refer Note No.40.07(ii) to the financial statement for the year ended 31st March,2022).

c) It is observed that said property tax due has not been accounted. TNTPO has represented GCC for revised demand notice for payment of property tax from 2018-19 to 2021-22 and order from GCC are awaited.
(Refer Note No.40.1.4 of consolidated financial statements for the year ended 31st March,2022)

d) It is the practice of Company to retain advances received from organisers even for completed events until TDS deducted by organiser is available as TDS credit in Income Tax portal(26AS). On receipt of TDS credit in 26AS, refunds are granted to the organiser.

e) Pending Judicial decision on withdrawal of exemption under section 11(15) or section 10(23C)(iv) of the Income Tax Act,1961,no provision for income tax and deferred tax have been made by the Company. Now the case is pending with Supreme Court of India.
(Refer note no. 40.05(ii) forming part of Consolidated Financial Statements)

f) Non-confirmation/ reconciliation of certain balances under advance from customers and other,trade receivables, loans and advances, trade payables and other parties of the company.

g) Non-carrying out of physical verification of property, plant & equipment.

h) Miniscule staff strength of the Company is affecting the internal financial control system and its operating effectiveness.

i) We draw attention to note no.40.12 of consolidated financial statements which describes the effect of uncertainties relating to Covid-19 pandemic which resulted in significant decrease in revenue of the organization.

**4. Subsidiary company – ISL**

We draw attention to the Note 40.1.6 of consolidated financial statements in respect of contingencies, which is reproduced as follow-

"The company has not complied the Section 173( Minimum Board Meeting), Section 174( Quorum of the Board Meeting), Annual Filing of the AOC-4 and MGT-7 of the F.Y 2020-21, Filing of the Form DIR-12 for the appointment of the Director as per the requirement of the Companies Act,2013. MCA may impose the penalty of about Rs. 0.85 lakhs in this regard on the Company."

Our opinion is not modified in respect of these matters.

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**364-A, Govindpuri Haridwar-249403**

**Information other than the consolidated financial statements and auditor's report thereon**

The holding company's Board of Directors are responsible for the other information. The other information comprises the Corporate Governance Report and Report of the Board of Directors', including annexures thereon, but does not include the consolidated financial statements and our Auditor's report thereon, which is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information, and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Corporate Governance Report and Report of the Board of Directors, including annexures, if any, thereon, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

**Responsibilities of the management and those charged with governance for the consolidated financial statements**

The holding company's Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the group, jointly controlled entity and associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

The Board of Directors of the respective companies included in the group, jointly controlled entity and associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the group, jointly controlled entity and associate and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement,

whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the holding company, as aforesaid.

In preparing the consolidated financial statements, the Board of Directors of the respective companies included in the group, jointly controlled entity and associate are responsible for assessing the ability of the group, jointly controlled entity and associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the group, jointly controlled entity and associate or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the respective companies included in the group, jointly controlled entity and associate are responsible for overseeing the financial reporting process of the group, jointly controlled entity and associate.

**Auditor's responsibilities for the audit of the consolidated financial statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we along with auditors of subsidiary companies, jointly controlled entity and associate, exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the holding company has adequate internal financial controls system in place and the operating effectiveness of such controls.

●Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

● Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's, jointly controlled entity's and associate's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's report. However, future events or conditions may cause the group, jointly controlled entity and associate to cease to continue as a going concern.

● Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

●Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group, jointly controlled entity and associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in section titled 'Other matters' in this audit report.

We communicate with those charged with governance of the holding company and such other entities included in the consolidated financial statements of which we are independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and

are therefore reported in Basis of Qualified Opinion para and Emphasis on matter para. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Other matters**

We did not audit the financial statements of subsidiary companies namely Tamilnadu Trade Promotion Organisation, Karnataka Trade Promotion Organisation and ITPO Servcies Ltd., jointly controlled entity namely National Center for Trade Information (under liquidation) and associate namely Jammu and Kashmir Trade Promotion Organisation, whose financial statements reflect total assets of Rs. 53,805.37 lakhs as at 31st March, 2022, and total revenues of Rs. 2,322.41 lakhs, total comprehensive income (net) of Rs. 366.73 lakhs and cash outflows (net) of Rs. 3,026.19 lakhs for the year ended on that date, as considered in the consolidated financial statements.

The financial statements of subsidiary companies namely Tamilnadu Trade Promotion Organisation, Karnataka Trade Promotion Organisation and ITPO Servcies Ltd., jointly controlled entity namely National Center for Trade Information and associate namely Jammu and Kashmir Trade Promotion Organisation have been audited by its auditor's whose report have been furnished to us by the holding company's management except for the Audit Report of associate namely Jammu and Kashmir Trade Promotion Organisation and our opinion on the consolidated financial statements, in so far it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entity and associate and our report in terms of Section 143(3), in so far it relates to these subsidiaries, jointly controlled entity and associate is based solely on the reports of the respective auditor.

Our opinion on the consolidated financial statements, and our 'Report on other legal and regulatory requirements' below, is not modified in respect of above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/ financial information certified by the management.

**Report on other legal and regulatory requirements**

1. Being a Government company, pursuant to notification no. GSR 463 (E) dated 5th June, 2015 of the Government of India, provision of section 197 of the Companies Act, 2013 is not applicable to the group, jointly controlled entity and associate.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, jointly controlled entity and associate, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

a) We/the other auditors whose report we have relied upon have sought and except for the matter described in the Basis for Qualified Opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

b) Except for the matter described in the Basis for Qualified Opinion paragraph, in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

c) the Consolidated Balance Sheet, the Consolidated Statement of Income and Expenditure (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

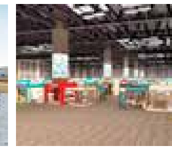
d) in our opinion, except for the matters described in 'Basis for qualified opinion' and 'Emphasis of matter' paragraphs above, the aforesaid consolidated financial statements comply with the Indian Accounting Standards ("Ind AS") specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time;

e) the matters described in 'Basis for qualified opinion' and 'Emphasis of matter' paragraphs above, in our opinion, may have an adverse effect on the functioning of the group, jointly controlled entity and associate;

f) being government companies, pursuant to notification no. GSR 463 (E) dated 5th June, 2015 of the Government of India, provision of sub section (2) of section 164 of the Companies Act, 2013 is not applicable to the group, jointly controlled entity and associate;

g) with respect to the adequacy of the internal financial controls with reference to financial statements and operating effectiveness of such controls of the holding company audited by us, and of the subsidiary companies, jointly controlled entity and associate, not audited by us (as reported by their auditors), refer to our separate report in Annexure - 'A';

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the



report of the other auditors of separate financial statements as also the other financial information of the subsidiary companies, jointly controlled entity and associate, as noted in the other matter paragraph:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the group, jointly controlled entity and associate – Refer note 40.01 to the consolidated financial statements;

ii. The holding company and its subsidiaries, jointly controlled entity and associate companies have not entered into any long-term contracts including derivative contracts for which there were any material forseeable losses as at 31 March 2022;

iii. Being section 8 companies, group, jointly controlled entity and associate are prohibited from the payment of dividend to its members hence the clause relating to transfer of amounts to the Investor Education and Protection Fund by the group, jointly controlled entity and associate companies is not applicable

iv. a) The respective managements of the Holding Company and its subsidiaries, jointly controlled entity and associate have represented to us and the other auditors of such subsidiaries, jointly controlled entity and associate respectively that, to the best of its knowledge and belief, as disclosed in Note no. 40.27 of the Consolidated Financial Statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company and its subsidiaries, jointly controlled entity and associate to or in any other person or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company and its subsidiaries, jointly controlled entity and associate ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its subsidiaries, jointly controlled entity and associate have represented to us and the other auditors of such subsidiaries, jointly controlled entity and associate respectively that, to the best of its knowledge and belief, as disclosed in Note no. 40.27 of the Consolidated Financial Statements, no funds(which are material either individually or in the aggregate) have been received by the Holding Company and its subsidiaries, jointly controlled entity and associate from any person or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company and its subsidiaries, jointly controlled entity and associate shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the

Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

c) Based on such audit procedures that has been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries, jointly controlled entity and associate, nothing has come to our or other auditor's notice that has caused us or the other auditor's to believe that the representations under sub-clause (a) and (b) contain any material misstatement

v. Being section 8 companies, group, jointly controlled entity and associate are prohibited from the payment of dividend to its members.

For P.D. Agrawal & Co.
Chartered Accountants
Firm Registration No. 001049C

Sanjeev Agrawal
Partner
Membership No. 071427
UDIN:22071427BCSHCW3619

Place: New Delhi
Date: 31st October, 2022

**Annexure - 'A' to the Independent Auditor's Report**

***(Referred to in paragraph (g) under 'Report on other legal and regulatory requirements' section of the Independent Auditor's Report of even date on the consolidated financial statements of India Trade Promotion Organisation for the year ended 31st March, 2022)***

**Report on the internal financial controls under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to the financial statements of 'India Trade Promotion Organisation' ("the holding company") and its subsidiaries (the holding company and its subsidiaries together referred to as "the Group"), jointly controlled entity and except associate for the year ended 31st March, 2022, in conjunction with our audit of the consolidated financial statements of the group, jointly controlled entity and associate for the year ended on that date.

**Management's responsibility for internal financial controls**

The respective Board of Directors of the holding company, its subsidiaries, jointly controlled entity and associate are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements reporting criteria established by the respective company considering the essential components of internal control stated in the "Guidance note on audit of internal financial controls over financial reporting" (the "Guidance note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditor's responsibility for the audit of internal financial controls with reference to financial statements**

Our responsibility is to express an opinion on the group's, jointly controlled entity's and associate's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the 'Guidance note on audit of internal financial controls over financial reporting (the 'Guidance note') and the Standards on Auditing, issued by the Institute of Chartered Accountants of India and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those standards and the Guidance note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements,

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assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the company's internal financial controls system with reference to financial statements.

**Meaning of internal financial controls with reference to financial statements**

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and Directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent limitations of internal financial controls with reference to financial statements**

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Qualified opinion**

According to the information and explanations given to us and based on the audit of subsidiary company- KTPO by the other auditor, the following material weaknesses have been identified in the Company's Internal Financial Controls over financial reporting as at March 31, 2022 :

1. **Holding company – ITPO**

    a) With regards to the discrepancies observed during the Physical Verification of Fixed Assets with Fixed Asset Register due to lack of management's responsibility of maintaining a proper Fixed Asset register. Also, pending reconciliation, the financial impact consequent to such reconciliation could not be ascertained.

2. **Subsidiary company – KTPO**

a) The minuscule staff strength of the Company is affecting the internal financial control system and its operating effectiveness.

b) The internal control system for complying with applicable provisions of various statutes [TDS under Income tax Act and GST] is inadequate which could result in payment of additional levies and damages.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of holding company and subsidiary company- KTPO's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, to the best of our information and according to the explanations given to us and to the auditor of subsidiary company - KTPO, except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the holding company and its subsidiaries, jointly controlled entity and associate have, in all material respects, adequate internal financial controls with reference to the financial statements and such internal financial controls with reference to the financial statements were operating effectively as at 31st March, 2022, based on the internal control with reference to financial statements criteria established by the group, jointly controlled entity and associate considering the essential components of internal control stated in the Guidance note on 'Audit of internal financial controls over financial reporting' issued by the Institute of Chartered Accountants of India.

**Other matters**

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to the financial statements insofar as it relates to the subsidiary companies namely Karnataka Trade Promotion Organisation and ITPO Services Ltd., jointly controlled entity namely National Center for Trade Information, is based on the corresponding report of the auditor of the respective companies. Further, the said report as per the report of auditor of Tamilnadu Trade Promotion Organisation, subsidiary company is exempt for the said company for the current year as per notification no. GSR 464(E) dated 5th June 2015 as amended by notification no. GSR 583 (E) dated 13th June 2017. Furthermore, we have not been provided with the Standalone Audit Report for the associate namely Jammu and Kashmir Trade Promotion Organisation.

Our opinion is not modified in respect of above matter.

For P.D. Agrawal & Co.
Chartered Accountants
Firm Registration No. 001049C

Sanjeev Agrawal
Partner
Membership No. 071427
UDIN:22071427BCSHCW3619

Place: New Delhi
Date: 31st October, 2022

**Annexure- IV**

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF INDIA TRADE PROMOTION ORGANISATION FOR THE YEAR ENDED 31 MARCH 2022**

The preparation of financial statements of India Trade Promotion Organisation for the year ended 31 March 2022 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the Company. The statutory auditor appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 31 October 2022.

I, on behalf of the Comptroller and Auditor General of India have decided not to conduct the supplementary audit of the financial statements of India Trade Promotion Organisation for the year ended 31 March 2022 under section 143(6)(a) of the Act.

**For and on behalf of the**
**Comptroller & Auditor General of India**

SPanda

**(S. Ahlladini Panda)**
**Principal Director of Audit**
**(Industry & Corporate Affairs)**
**New Delhi**

**Place: New Delhi**
**Date:** 15 DEC 2022

Annexure- V

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) READ WITH SECTION 129 (4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF INDIA TRADE PROMOTION ORGANISATION FOR THE YEAR ENDED 31 MARCH 2022**

The preparation of consolidated financial statements of India Trade Promotion Organisation for the year ended 31 March 2022 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139 (5) read with section 129 (4) of the Act is responsible for expressing opinion on the financial statements under section 143 read with section 129 (4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 31 October 2022.

I, on behalf of the Comptroller and Auditor General of India, have decided not to conduct the supplementary audit of the consolidated financial statements of India Trade Promotion Organisation for the year ended 31 March 2022 under section 143 (6)(a) read with section 129(4) of the Act.

**For and on behalf of**
**the Comptroller & Auditor General of India**

Panda

**(S. Ahlladini Panda)**
**Principal Director of Audit**
**(Industry & Corporate Affairs)**
**New Delhi**

**Place: New Delhi**
**Date:** 15 DEC 2022

Annexure- VI

# REPORT ON CORPORATE GOVERNANCE

## 1. THE COMPANY'S GOVERNANCE PHILOSOPHY

India Trade Promotion Organization (ITPO), the premier trade promotion agency of the Ministry of Commerce & Industry, Government of India, is committed to showcase excellence achieved by the country in diverse fields especially trade, commerce and governance.

ITPO is fully committed towards good corporate governance entailing trusteeship, empowerment and accountability of the management while remaining proactive to the Government policies. ITPO's Governance process is focused towards its mission of "wide spectrum of services to trade and industry and acting as a catalyst for growth of India's trade". The company follows guidelines on Corporate Governance issued by the Department of Public Enterprises.

**The main activities and services of ITPO are:**

- To promote, organize and participate in industrial trade through fairs and exhibitions in India and abroad and to take all measures incidental thereto for boosting up country's trade
- To publicize in India and abroad international trade fairs and exhibitions to be held in India and to mobilize the foreign participants to participate in them.
- To organize trade in commodities connected with or relating to such fairs, exhibitions in India and abroad.
- To promote exports and to explore new markets for traditional items of exports and develop export of new items with a view to maintaining, diversifying and expanding the export trade.
- To support and assist small and medium enterprise to access markets – both in India and abroad.
- To prepare and update trade related database for dissemination among trade and industry in India.
- Organizing seminars, conferences and workshops on trade related issues.
- To lease out its exhibition halls and facilities to other organizers for holding trade related events.

The compliance of the company on Corporate Governance and the disclosure requirements under Companies Act are given below:

## 2. BOARD OF DIRECTORS

### 2.1 Size of the Board

ITPO is a Section 8 (earlier section-25) Company as per the Companies Act, 2013 and the President of India presently holds 100% of the total paid-up share capital. As per Articles of Association, the power to appoint Directors rests with the President of India. In terms of Articles of Association of the Company, the strength of our Board shall not be less than four Directors or more than twelve Directors.

### 2.2 Composition of the Board

The Board comprised of 9 Directors, out of which 2 were Functional Directors including the Chairman and Managing Director, 4 were Nominee Directors of Government of India and 3 Independent Directors.

Shri L.C.Goyal had taken over the charge of Chairman and Managing Director of ITPO w.e.f. 2nd September, 2015.

### 2.3 Board Meeting and Attendance

The meetings of the Board of Directors are normally held at the Registered Office of the Company. The meetings are generally scheduled well in advance and the Notice, detailed Board agenda, management reports and other explanatory Board notes are circulated to the Directors. The members of the Board have complete access to all information of the Company. The Senior Management is also invited to the Board meetings to provide additional input to the items being discussed by the Board, as and when required.

During the financial year ended 31st March, 2022, the Board Meetings were held on 27th August, 2021, 23rd December, 2021 ,3rd February, 2022, and 15th March, 2022 respectively.

The details of number of Board Meetings attended by Directors, attendance at last Annual General Meeting (AGM), number of other Directorships in Body Corporates (other than ITPO) held by Directors during the financial year 2021-22 are tabled below:

| Sl. No. | Name of Director | Board Meetings | | Attendance at last AGM held on (30th November 2021) | As on March 31, 2022 (No. of other Director-ship |
|---|---|---|---|---|---|
| | | Held during the tenure | Attendance | | |
| 1. | Shri L.C. Goyal | 4 | 4 | Yes | 2 (KTPO, TNTPO) |
| 2. | Shri Shashank Priya | 4 | 3 | No | 7 (HMT, MMTC, StC,BHEL, Invest India, IICECL, NJMC) |
| 3. | Shri P. Harish | 1 | 0 | No | 2 (WAPCOS, IIFT) |
| 4. | Smt. Alka Nangia Arora | 4 | 3 | No | 1 (NSIC) |
| 5. | Shri. Vibhu Nayar | 3 | 3 | No | 9 (JKTPO, KTPO, WBTPO, NCTI, TNTPO, ISL, SES, MMTC, PEC) |
| 6. | Shri Amitabh Kumar | 4 | 2 | Yes | 3 (ECGC, EXIM Bank, ISL) |
| 7. | Shri Rahul Kumar Shrawat | 4 | 4 | Yes | 1 (Naval Group) |
| 8. | Smt.V.G Aravindanayagi | 4 | 4 | Yes | 1(NARAD and Associates LLP) |
| 9. | Shri Md. Noor Rahman Sheikh | 2 | 2 | No | 1( Invest India) |
| 10. | Shri Om Prakash Chalniwale | 3 | 3 | No | |

## 2.4 INFORMATION REQUIRED TO BE PLACED BEFORE THE BOARD OF DIRECTORS:

The Board has complete access to any information of the Company. The information regularly supplied to the Board includes:

1. Annual operating plans, budgets and any updates.
2. Annual Accounts, Directors' Report, etc.
3. Minutes of meetings of audit committee and other committees of the Board.
4. Major Investments, information of Subsidiaries and Joint Ventures, Strategic Alliances, etc.
5. Award of large Contracts.
6. Disclosure of Interest by Directors about directorship and committee positions occupied by them in other Companies.
7. Report on the status of various ongoing projects/Schemes and Budget Utilization.
8. Any significant development in Human Resources/ Industrial Relations like signing of wage agreement, etc.
9. Non-compliance of any regulatory, statutory and shareholders' service.
10. Short-term investment of surplus funds.
11. Other materially important information including the requirements of Companies Act.

## 3. COMMITTEES OF THE BOARD OF DIRECTORS

The Board has constituted the following Committees:

i) Audit Committee

ii) Remuneration Committee

iii) CSR Committee.

### 3.1 Composition of Audit Committee, Meetings held and Attendance of Audit Committee during the year 2021-22

The Company has complied with the Corporate Governance guidelines and accordingly, three Audit Committee Meetings were held on 27th August, 2021, 3rd February, 2022 and 15th March, 2022 respectively.

| Sl. No. | Name of Committee Members | Designation | Position in Committee | Meetings | |
|---|---|---|---|---|---|
| | | | | Held during the tenure | Attendance |
| 1. | Smt. V.G Aravindanayagi | Independent Director | Chairman | 3 | 3 |
| 2. | Shri Shashank Priya | Part Time official Director | Member | 3 | 2 |

| | | | | | |
|---|---|---|---|---|---|
| 3. | Shri Vibhu Nayar | Part Time official Director | Member | 2 | 2 |
| 4. | Shri Rahul Kumar Shrawat | Independent Director | Member | 3 | 3 |

### 3.2 Composition of Remuneration Committee, Meetings held and attendance in Remuneration Committee during the year 2021-2022

During the Year 2021-22, No meeting of the Remuneration Committee was held.

| Sl No. | Name of Remuneration Committee Members | Designation | Position in Remuneration Committee | Meetings | |
|---|---|---|---|---|---|
| | | | | Held during the tenure | Attendance |
| 1. | Shri Rahul Kumar Shrawat | Independent Director | Chairman | - | - |
| 2. | Smt. V.G Aravindanayagi | Independent Director | Member | - | - |
| 3. | Shri Vibhu Nayar | Part Time official Director | Member | - | - |
| 4. | Shri Amitabh Kumar | Part Time official Director | Member | - | - |

### 3.3 Composition of CSR Committee, Meetings held and attendance in CSR Committee during the year 2021-2022.

The Company has complied with the Guidelines issued by the Department of Public Enterprises/Companies Act,2013.

| Sl. No. | Name of CSR Committee Members | Designation | Position in CSR Committee | Meetings | |
|---|---|---|---|---|---|
| | | | | Held during the tenure | Attendance |
| 1. | Shri Shashank Priya | Part Time official Director | Chairman | 1 | 1 |
| 2. | Shri Vibhu Nayar | Part Time official Director | Member | 1 | 1 |
| 3. | Smt. Alka Nangia Arora | Part Time official Director | Member | 1 | 1 |
| 4. | Shri Rahul Kumar Shrawat | Independent Director | Member | 1 | 1 |

During the Year 2021-22, one meeting of the CSR Committee was held on 15th March, 2022.

## 4. REMUNERATION OF DIRECTORS

The remuneration of CMD & ED is as per the terms of appointment issued by Govt. of India and rules applicable thereof. The Company pays a sitting Fee of Rs.20,000/- per meeting, to each part-time Independent Director who attends any Board Meeting or Meeting of any Sub-Committee of the Board. However, no remuneration is paid to the part-time Government Nominee Director.

## 5. GENERAL BODY MEETING.

Date, time and location where the last three Annual General Meetings were held, are as under.

| Year | Date | Time | Venue | Special Resolution |
|---|---|---|---|---|
| 2019-20 | 27.09.2019 & 21.11.2019 (Adjourned Meeting) | 3:30 PM | Pragati Bhawan Pragati Maidan New Delhi- 110 001 | Nil |
| 2020-21 | 24.11.2020 | 12:00 Noon | Pragati Bhawan Pragati Maidan New Delhi- 110 001 | Nil |
| 2021-22 | 30.11.2021 & 31.03.2022 (Adjourned Meeting) | 3:00 PM | Pragati Bhawan Pragati Maidan New Delhi- 110 001 | Nil |

Date, time and location where the last Extraordinary General Meeting was held, are as under.

| Year | Date | Time | Venue | Special Resolution |
|---|---|---|---|---|
| 2018-19 | 14.12.2018 | 12:30 PM | Pragati Bhawan Pragati Maidan New Delhi- 110 001 | Yes - One |

## 6. DISCLOSURES

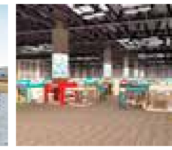
(I) The transactions with related parties are disclosed as per the requirement of the Companies Act, 2013.

(II) ITPO is complying with the applicable accounting standards. Only after the review of financial statements by Statutory Auditors and CAG, the financial statements are passed by the Board & Shareholders.

(III) There are no penalties or strictures imposed on the Company by statutory authority on any matter related to any guidelines issued by the Government during the last three years.

(IV) With respect to the Whistle Blower Policy, the Policy has been formulated and implemented after the approval of the Competent Authority.

(V) The Board and the Senior Management of ITPO have no personal interest, which has a potential conflict with the interest of the Company.



(VI) A Comprehensive Risk Management Policy, as per DPE Guidelines, was approved by the Board on 26-03-2013 and has since been implemented.

(VII) No item of expenditure was debited in the Books of Accounts which was not for the purpose of the organization.

(VIII) No expenses of personal nature of the Members of the Board of Directors were incurred out of the funds of the Company.

### 7. MEANS OF COMMUNICATION

The Company is an unlisted, Section 8 company (earlier section 25) of the new Companies Act, 2013 and, therefore, its quarterly or half-yearly results are not communicated like listed companies.

### 8. AUDIT QUALIFICATION

The audit observations/comments, if any, and replies, thereto, of the management for the financial year 2020-21 will be a part of the Annual Report.

### 9. TRAINING OF BOARD OF DIRECTORS

Training of Directors is being conducted as per the need of the Directors.

### 10. WHISTLE BLOWER POLICY

ITPO has formulated its Whistle Blower Policy and the same has been implemented with the approval of the Competent Authority.

### 11. CORPORATE SOCIAL RESPONSIBILITY

ITPO has constituted a CSR Committee, as per the DPE guidelines and the Companies Act, which reviews the CSR activities. The CSR initiatives/activities will be implemented with the approval/monitoring accordingly. The detailed policy about CSR initiatives of ITPO is available at http://www.indiatradefair.com/csr.php

ITPO has been an active contributor towards the welfare of various communities under its CSR initiatives. For the years 2018-19 to 2019-20, ITPO extended support to Institution for the blind, Swachh Bharat Kosh, Clean Ganga Fund, International Solar Alliance (ISA), Friends of Himalaya (to support the children and widows of Uttrakhand), Bosco-Net (Poor Rural Women in Jharkhand), National Dairy Development Board (Milk to school children), Kalinga Institute for Social Sciences, Education and health for tribal population etc. For the year 2019-20, ITPO continued its efforts towards promotion of Sanitation by contributing Rs.50 lakh towards “Swachh Bharat Kosh of Govt. of India and also provided CSR support in the field of education, Workshops/exhibitions, PM Care Funds etc.

For the year 2020-21, ITPO could not continue its contribution towards CSR due to worldwide effect of Covide-19 pandemic and its subsequent impact on the financial position of ITPO.

Accordingly, Board noted the recommendations of the CSR Committee for the year 2021-22. The Board, after detailed discussion, decided the following:

1. To consider CSR activities contributing to the Central Government Funds as specified in Schedule VII of the Co. Act such as The Prime Minister's Citizen Assistance & Relief in Emergency Situations Fund (PM CARES Fund) etc.

2. The Board deliberated at length and decided to contribute one-third each out of the available CSR funds of Rs.728.60 lakhs, in the three Schedule VII funds i.e. PM CARES Fund, Swatchata Kosh & Ganga Kosh.

For the year 2021-22, ITPO also contributed Oxygen Concentrators and AEBU to District Administration, Sonepat (Haryana) and FA Value with Humidifier Bottle to District Administration, Hazaribagh-835301, Jharkhand under Aspirational District category.

**Annexure-VII**

# CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To,

The Members
India Trade Promotion Organization
New Delhi

We have examined the compliance of guidelines of Corporate Governance by India Trade Promotion Organization for the year ended March 31, 2022 as stipulated in Notification No. 18 (8)/2005-GM, dated 14th May 2010, issued by Ministry of Heavy Industries and Public Industries, Department of Public Enterprises, Government of India for Corporate Governance. While going through the statutory records of the Company for the period 01.04.2021 to 31.03.2022, The Company has appointed Mr. VibhuNayar as the Executive Director w.e.f17.09.2021, however no form was filed with the concerned Registrar of Companies.

The compliance of guidelines of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate governance s stipulated in above mentioned guidelines. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in DPE Guidelines.

We further state that such compliance is neither an assurance as to future viability of the Company nor efficiency or effectiveness with which the management has conducted affairs of the company.

For Rajesh Mittal & Associates
Company Secretaries

Sd/-
(Rajesh Mittal)
(Membership No.ACS 13275, C.P No. 3254)

Place : New Delhi
Dated : 31.08.2022

**Annexure-VIII**

# INDIA TRADE PROMOTION ORGANISATION

(A Govt. of India Enterprise)
Pragati Bhawan, Pragati Maidan, New Delhi – 110 001
Tele : 011-23371540, 23371491, Fax : 011-23371492
E-mail : info@itpo.gov.in; Website : www.indiatradefair.com

**DECLARATION**

As per DPE guidelines on Corporate Governance for CPSE's, this is to confirm that all Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct of the Company for the Financial Year 2021-22.

Sd/-
(L.C. Goyal)
Chairman and Managing Director

Place : New Delhi

Dated : 30.04.2022

**Annexure-IX**

# CORPORATE SOCIAL RESPONSIBILITIES

As an integral part of our commitment to good corporate citizenship ITPO believes in actively participating in Government actions for economic recovery and growth after pandemic in terms of healthcare, education and environment etc.

ITPO has been strictly adhering to the CSR and Sustainability Guidelines issued by Department of Public Enterprises and the applicable Act & Rules of the Companies Act 2013. The CSR initiatives/activities will be implemented with the approval/monitoring accordingly. The detailed policy about CSR initiatives of ITPO is available at http://www.indiatradefair.com/csr.php.

ITPO has been an active contributor towards the welfare of various communities under its CSR initiatives. For the years 2017-18 to 2019-20, ITPO extended support to Institution for the blind, Swachh Bharat Kosh, Clean Ganga Fund, International Solar Alliance (ISA), Friends of Himalaya (to support the children and widows of Uttrakhand), Bosco-Net (Poor Rural Women in Jharkhand), National Dairy Development Board (Milk to school children), Kalinga Institute for Social Sciences, Education and health for tribal population etc. For the year 2019-20, ITPO continued its efforts towards promotion of Sanitation by contributing Rs.50 lakh towards “Swachh Bharat Kosh of Govt. of India and also provided CSR support in the field of education, Workshops/exhibitions, PM Care Funds etc.

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Accordingly, Board noted the recommendations of the CSR Committee for the year 2021-22. The Board, after detailed discussion, decided the following:

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2. The Board deliberated at length and decided to contribute one-third each out of the available CSR funds of Rs.728.60 lakhs, in the three Schedule VII funds i.e. PM CARES Fund, Swatchata Kosh & Ganga Kosh.

For the year 2021-22, ITPO also contributed Oxygen Concentrators and AEBU to District Administration, Sonepat (Haryana) and FA Value with Humidifier Bottle to District Administration, Hazaribagh-835301, Jharkhand under Aspirational District category.

ITPO has constituted CSR Committee as per the DPE guidelines that reviewed the CSR activities. The Committee comprises of following Board members:

- AS&FA, DOC - Chairman
- Nominee Director, MSME - Member

- Executive Director, ITPO - Member
- Independent Director

  (RADM Rahul Kumar Shrawat) - Member

1. The average net profit of the company for the last three financial years (2018-19, 2019-20 and 2020-21) is Rs. 77.72 crore
2. The amount sanctioned on CSR activities for the year 2021-22 is Rs. 0.52 Crore (approx.) (2% of average net profit of the company for the last three financial years). In addition, an amount of Rs. 6.97 crore (approx.) is also carried out relating to CSR projects of previous years, which were either cancelled, Interest on Amount deposited in CSR Account and amount already spent for the CSR activity in the FY 2021-22.
3. Few projects relating to earlier year were cancelled. The main reasons for cancellation of the project/s were that the CSR agencies could not execute the project as per the sanction of ITPO and other administrative reasons.

Sd/-
**(B.V.R Subrahmanyman)**
Chairman & Managing Director

Sd/-
**(Shashank Priya)**
Chairman, CSR Committee

**Annexure-X**

# MANAGEMENT DISCUSSION AND ANALYSIS REPORT

## Industry structure, vision and mission

India Trade Promotion Organisation (ITPO) is the premier trade promotion agency of India, providing a broad spectrum of services to trade and industry and acting as a catalyst for growth of India's trade. The main objectives of ITPO are:

- To promote external and domestic trade of India in a cost effective manner by organizing and participating in international trade fairs in India and abroad; by organizing buyer-seller meets and contact promotion programmes abroad; by conducting overseas market surveys, exchanging and coordinating visits of business delegations, and by undertaking need based research to facilitate trade in specific sectors/markets;
- To support and assist small and medium enterprises to access markets both in India and abroad;
- To disseminate trade information and facilitate E-commerce/trade;
- To develop quality physical infrastructure, services and management so as to enable holding of trade promotion events such as conventions and trade exhibitions of international standard; and
- To enlist the involvement and support of the State Governments, other government trade promotion agencies, trade and industry associations in trade promotion of India's external and domestic trade.

With its Headquarters at Pragati Maidan, New Delhi and regional offices at Chennai, Kolkata and Mumbai, ITPO ensures representative participation of trade and industry from different regions of the country in its events in India and abroad.

## Vision

To be a leader amongst world class trade promotion organizations, leveraging India's strengths internationally. Rapid growth in India's share of global trade and investments, quality of our services and customer satisfaction will be the touchstone of our success.

## Mission

To promote, facilitate, encourage and coordinate various activities and programmes to enhance India's share of export through trade in goods and services.

As per the Memorandum & Articles of Association, the Company is under Section 8 of the Companies Act, 2013, and no dividend is payable. Therefore, the excess of income over expenditure has been carried forward to the Reserve and Surplus Account for the utilization of the same in furtherance of its objectives

## FINANCIAL HIGHLIGHTS

The operations of the Company for the period ended on 31st March, 2022, have yielded a Loss of Rs.57.99crore sas against surplus of Rs.84.15 crores (Recast as per Ind-AS) for the fiscal year 2020-21. The total income generated during 2021-22 is Rs.77.48 crores compared to Rs.50.30 crores (Recast as per Ind-AS) in the preceding year 2020-21.

## SWOT

ITPO has its own exhibition ground at a prime location having State-of-the-art Exhibition Halls and other Convention/ Conference facilities. It has a team of Professional and experienced officers of various disciplines like Engineering, Architect, Design, Fairs, etc. for organizing B2B and B2C fairs/exhibitions on national/international standards. ITPO has 40 years of experience in industry with rich exposure in various trends and requirements. ITPO has a wide network with Ministries like MEA, other TPOs and it is the only Govt. PSU with a back up of various Govt. agencies / departments, thereby providing confidence among the participants. Due to restriction by govt. policies, there are limitations on the ground's Multi-use. Further, the company has to adhere the objective of Section 8 Companies i.e. not to maximize profit. The Company faces Competition from private organisers and substantial change in Government Policies

## Future Outlook

ITPO's mega project of redevelopment of Pragati Maidan into a world-class iconic landmark i.e. the International Exhibition and Convention Centre (IECC) is at a significant stage and is being implemented in a phased manner.

The Complex will be a landmark spot in Delhi and a unique symbol of New India in sync with India aspiring to be a global power. Phase-I comprises Convention Centre, Exhibition Halls, Basement Parking and Administrative Block (approx. 3,82,248 sqm. of built up area). Traffic solutions being implemented as a part of the project shall allow easy access to the complex and decongest traffic in and around Pragati Maidan (Being developed by PWD, Delhi).

The Total built up area of the Convention Centre being developed is 53,399 sqm with a capacity of 7000 pax in single format more than 5 times the size of Vigyan Bhawan (Plenary Hall - 3000 pax, Multi-Function Hall – 4000 pax) and capacity of Amphitheatre is 3000 pax. It will be a 32.4 meter tall landmark building on par with the best in the world when completed. It shall have 25 meeting/seminar rooms of different sizes and special lounges as per the requirements of international/Summit level meetings like G-20, etc and a huge musical fountain in front plaza. The Convention Centre will be a huge iconic landmark at par with the best infrastructure in the world.

7 Exhibition Halls are being developed comprising total built up area of 1,31,510 sqm Including 90,408 sqm of exhibition space & 41,102 sqm for foyer/public circulation and support services like staircases, toilets, services, lift lobbies, etc with integrated F&B facilities in each Hall.

The project also includes covered walkways/canopies and dedicated skywalk connectivity with Pragati Maidan Metro Station of Delhi Metro network.

Basement parking for 4800 Equivalent Car Units (ECUs) with built up area of 1,68,305 sqm is being developed with Car Parking Management System for smooth functioning of inward and outward vehicular movements during exhibitions. Entry and Exit points for smooth traffic flow from and to the tunnel and main roads. Air-conditioned ticketing and security plaza for direct entry from basement to Convention Centre and Exhibition Halls are being developed. Adequate numbers of drivers' lounges are being developed along with toilets.

The infrastructure including the Convention Centre is planned to be an added facility for the G20 Summit being hosted by India in 2023. The upcoming exhibition halls and the Convention Centre will fill critical gaps in requirements for MICE (Meetings, Incentives, Conferences and Events) sector. An area of 3.70 acres has been earmarked for a five-star hotel at Pragati Maidan, which will be an integral part of the modern complex. However, there has not been any progress made towards operationalisation of the Hotel component due to poor response from the market.

The IECC project will definitely help improve nation's image in terms of world class modern MICE infrastructure. Revenues and services of business sector in the Delhi-NCR region will shoot up as many events may shift to New Delhi from the East Asian and other countries and as such, global fraternity is very excited and thrilled about the upcoming venue and is keenly looking ahead to welcome commissioning of the facilities. In a nutshell, the new venue will not only help in positioning India world over in terms of growth, strength and potential for trade, investment and manufacturing activity but also in projecting India to be a global power.

### Internal control systems and their adequacy

Internal controls are continually evaluated by the Management and the Internal Auditors. Findings from internal audits are reviewed regularly by the Management and corrective actions and control measures to maintain proper accounting, monitoring of various operations are followed wherever required.

### Internal Financial control systems and their adequacy

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

### Material developments in human resources, industrial relations

Your company, being in the service industry believes that human resources are the critical assets. The company duly recognizes the talents of the employees and encourages sharing of knowledge between experienced manpower and young group. The Company provides various skill development training to its employees in-house and outside trainings nominating for various workshops and seminars etc. Employees opted VRS which was in operational.

### Environmental protection and conservation, technological conservation, renewable energy development.

Your company is a non-manufacturing company. However, ITPO is very much concerned about the environment and the conservation of energy and resources like water, power etc. All the care has been taken in respect of environment protection regulations in the redevelopment project.

## Risk Management

Your Company regularly analyses the risks related to its operations and all steps were taken to manage & mitigate the known risks by insurance & other means. HoDs have been advised to bring any risk/potential risk to the attention of management.

## Corporate Social Responsibility

Corporate Social Responsibility **(CSR)** is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large.

In ITPO the thrust of CSR and Sustainability is on capacity building, empowerment of communities, inclusive socio-economic growth, environment protection, promotion of green and energy efficient technologies, development of backward region, and upliftment of the marginalized and under-privileged section of the society.

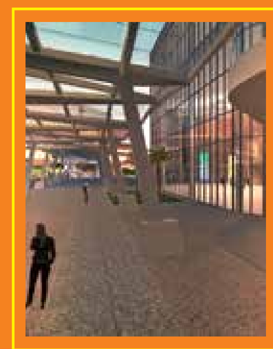
The Statements in this Management Analysis and Discussion Report describing the Company's performance may be forward looking within the meaning of applicable laws and regulations. Depending upon the various Government policies and the prevailing economic conditions, results may differ from those expressed or implied herein.

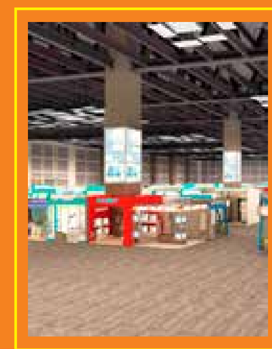

**ITPO's Contribution under CSR towards Clean Ganga Project**

**ITPO's Contribution under CSR towards Swachh Bharat Abhiyan**


India Pavilion at Anuga, Cologne (Germany) October 9-13, 2021


India Pavilion at SIAL, Paris (France) October 15-19, 2022





# Accounts

# Standalone Accounts



**INDIA TRADE PROMOTION ORGANISATION**

**STANDALONE BALANCE SHEET AS AT 31st MARCH, 2022**

**( Rs. in Lakhs)**

| Particulars | Note No. | As at 31st March 2022 | As at 31st March 2021 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, Plant and Equipment | 3 | 1,583.65 | 1,700.31 |
| Right-of-use Assets | 35.11 | 354.88 | 362.11 |
| Capital work in progress | 3 | 1,92,878.32 | 1,82,577.35 |
| Other Intangible Assets | 4 | 18.99 | 25.08 |
| Investments in Subsidiaries, Joint Venture & Associate | 5 | 1,245.51 | 1,327.39 |
| Financial Assets | | | |
| Investments | 6 | - | - |
| Loans | 7 | 954.12 | 1,095.02 |
| Non-current tax assets | 8.1 | 1,639.36 | 10,717.34 |
| Other non-current assets | 9 | 20,434.29 | 20,001.62 |
| **Current assets** | | | |
| Financial Assets | | | |
| Investments | 10 | 113.01 | 95.57 |
| Trade receivables | 11 | 739.25 | 470.19 |
| Cash and cash equivalents | 12 | 2,672.77 | 3,797.42 |
| Bank balances other than cash and cash equivalents | 13 | 28,941.06 | 25,699.42 |
| Loans | 14 | 184.34 | 447.48 |
| Other Financial assets | 15 | 3,649.60 | 847.29 |
| Current tax assets | 8.2 | 735.19 | - |
| Other Current Assets | 16 | 2,587.26 | 1,882.39 |
| **Total** | | **2,58,731.60** | **2,51,045.98** |
| **EQUITY AND LIABILITIES** | | | |
| Equity Share Capital | 17 | 25.00 | 25.00 |
| Other Equity | 18 | 1,98,200.04 | 2,03,829.66 |
| **Liabilities** | | | |
| **Non-current liabilities** | | | |
| Financial Liabilities | | | |
| Borrowings | 19 | 39,957.25 | 32,967.68 |
| Lease liabilities | 35.11 | 295.36 | 296.05 |
| Non-current Provisions | 20 | 2,053.43 | 1,880.63 |
| Other non-current liabilities | 21 | 552.25 | 673.08 |
| **Current Liabilities** | | | |
| Financial liabilities | | | |
| Borrowings | 22 | 2,635.00 | 658.75 |
| Lease liabilities | 35.11 | 0.69 | 0.64 |
| Trade payables | 23 | | |
| - Total outstanding dues of Micro Enterprises and Small Enterprises | | 6.12 | 19.30 |
| - Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises | | 667.19 | 842.59 |
| Other financial liabilities | 24 | 6,737.53 | 6,090.98 |
| Other current liabilities | 25 | 5,697.53 | 2,524.82 |
| Current Provisions | 26 | 1,904.21 | 1,236.80 |
| **Total** | | **2,58,731.60** | **2,51,045.98** |

'Significant Accounting Policies' and 'Notes'- 1 to 35 form an integral part of the Financial Statements

| -sd- | -sd- | -sd- | -sd- |
|---|---|---|---|
| **(R K Thakur)** | **(S R Sahoo)** | **(Vibhu Nayar)** | **(Pradeep Singh Kharola)** |
| Dy. Gen. Manager (Fin.) I/c Chief Financial Officer | Company Secretary | Director | Chairman & Managing Director |
| M. No. 42105 | M. No. F5595 | DIN: 3590141 | DIN: 05347746 |

As per our Report of even date attached
**For P D Agrawal & Co.**
Chartered Accountants
Firm Regn. No. 001049C

-sd-
**Sanjeev Agrawal**
Partner
Membership No. 071427

Place: New Delhi
Dated: 31st Oct. 2022

**INDIA TRADE PROMOTION ORGANISATION**
**STANDALONE STATEMENT OF INCOME & EXPENDITURE**
**FOR THE YEAR ENDED 31st MARCH, 2022**

( Rs. in Lakhs)

| Particulars | Note No. | Year ended 31st March 2022 | Year ended 31st March 2021 |
|---|---|---|---|
| **Income** | | | |
| Revenue From Operations | 27 | 3,054.23 | 509.95 |
| Other Income | 28 | 4,863.06 | 4,520.09 |
| **Total Income** | | **7,917.29** | **5,030.04** |
| **Expenditure** | | | |
| Employee benefits expense | 29 | 8,020.58 | 10,347.86 |
| Depreciation and amortization expense | 30 | 143.20 | 151.94 |
| Finance Cost | 31 | 142.67 | 34.27 |
| Other expenses | 32 | 3,198.68 | 2,888.90 |
| **Total Expenditure** | | **11,505.13** | **13,422.97** |
| **Excess of Income over Expenditure/ (Expenditure over Income) before exceptional items and tax** | | **(3,587.84)** | **(8,392.93)** |
| Exceptional Items | 33 | (1,694.92) | - |
| **Excess of Income over Expenditure/ (Expenditure over Income) before tax** | | **(5,282.76)** | **(8,392.93)** |
| Tax expense | 35.5 | - | - |
| **Surplus/ (Deficit) for the year** | | **(5,282.76)** | **(8,392.93)** |
| **Other Comprehensive Income** | | | |
| Items that will not be reclassified to Income & Expenditure: | | | |
| Remeasurement gain/ (loss) on defined benefit plans | 35.12 | (346.86) | (21.99) |
| **Other Comprehensive Income/ (Loss) for the year** | | **(346.86)** | **(21.99)** |
| **Total comprehensive income for the year** | | **(5,629.62)** | **(8,414.92)** |
| Earnings per share- Basic/ Diluted (Face Value of Rs. 100/- each) | 34 | (0.21) | (0.34) |

'Significant Accounting Policies' and 'Notes'- 1 to 35 form an integral part of the Financial Statements

| | | | |
|---|---|---|---|
| -sd- | -sd- | -sd- | -sd- |
| **(R K Thakur)** | **(S R Sahoo)** | **(Vibhu Nayar)** | **(Pradeep Singh Kharola)** |
| Dy. Gen. Manager (Fin.) I/c Chief Financial Officer | Company Secretary | Director | Chairman & Managing Director |
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-sd-
**Sanjeev Agrawal**
Partner
Membership No. 071427

Place: New Delhi
Dated: 31st Oct. 2022



**INDIA TRADE PROMOTION ORGANISATION**
**STANDALONE STATEMENT OF CHANGES IN EQUITY**
**FOR THE YEAR ENDED 31st MARCH, 2022**

**A. Equity Share Capital (Refer note 18)**

**(Rs in Lakhs)**

| | 2021-22 | | 2020-21 | |
|---|---|---|---|---|
| **Particulars** | **No. of shares** | **Amount** | **No. of shares** | **Amount** |
| Balance as at beginning of the year | 25,000.00 | 25.00 | 25,000.00 | 25.00 |
| Add: Changes in Equity Share Capital due to prior period errors | - | - | - | - |
| Restated balance at the beginning of the year | 25,000.00 | 25.00 | 25,000.00 | 25.00 |
| Changes in equity share capital during the year | - | - | - | - |
| **Balance as at end of the year** | **25,000.00** | **25.00** | **25,000.00** | **25.00** |

**B. Other Equity (Refer note 19)**

**(Rs in Lakhs)**

| **Particulars** | **Reserves and Surplus** | | | **Total** |
|---|---|---|---|---|
| | | **Capital Reserve** | | |
| | **Retained Earnings** | **Promoter's Contribution for KTPO** | **Others** | |
| **For the year ended 31st March 2022** | | | | |
| Balance as at 1 April, 2021 | 2,02,791.56 | 1,020.00 | 18.10 | 2,03,829.66 |
| Changes in accounting policy or prior period errors | - | - | - | - |
| Restated Balance as at 1 April, 2021 | 2,02,791.56 | 1,020.00 | 18.10 | 2,03,829.66 |
| Add: Surplus/ (deficit) for the year | (5,282.76) | - | - | (5,282.76) |
| Add: Other Comprehensive Income/ (Loss) for the year | (346.86) | | | (346.86) |
| **Balance as at 31 March 2022** | 1,97,161.94 | 1,020.00 | 18.10 | 1,98,200.04 |
| **For the year ended 31st March 2021** | | | | |
| Balance as at 1 April, 2020 | 2,11,211.52 | 1,020.00 | 18.10 | 2,12,249.62 |
| Changes in accounting policy or prior period errors | (5.04) | - | - | (5.04) |
| Restated Balance as at 1 April, 2020 | 2,11,206.48 | 1,020.00 | 18.10 | 2,12,244.58 |
| Add: Surplus/ (deficit) for the year | (8,392.93) | - | - | (8,392.93) |
| Add: Other Comprehensive Income/ (Loss) for the year | (21.99) | - | - | (21.99) |
| **Balance as at 31 March 2021** | 2,02,791.56 | 1,020.00 | 18.10 | 2,03,829.66 |

'Significant Accounting Policies' and 'Notes'- 1 to 35 form an integral part of the Financial Statements

| | | | |
|---|---|---|---|
| -sd- | -sd- | -sd- | -sd- |
| **(R K Thakur)** | **(S R Sahoo)** | **(Vibhu Nayar)** | **(Pradeep Singh Kharola)** |
| Dy. Gen. Manager (Fin.) | Company Secretary | Director | Chairman & Managing Director |
| I/c Chief Financial Officer | | | |
| M. No. 42105 | M. No. F5595 | DIN: 3590141 | DIN: 05347746 |

As per our Report of even date attached
**For P D Agrawal & Co.**
Chartered Accountants
Firm Regn. No. 001049C

-sd-
**Sanjeev Agrawal**
Partner
Membership No. 071427

Place: New Delhi
Dated: 31st Oct. 2022

**INDIA TRADE PROMOTION ORGANISATION**
**STANDALONE CASH FLOWS STATEMENT**
**FOR THE YEAR ENDED 31st MARCH, 2022**

**( Rs. in Lakhs)**

| Particulars | Year ended 31st March 2022 | | Year ended 31st March 2021 | |
|---|---|---|---|---|
| **A CASH FLOW FROM OPERATING ACTIVITIES** | | | | |
| Excess of income over expenditure/ (expenditure over income) before Tax | | (5,282.76) | | (8,392.93) |
| **Adjustments For:** | | | | |
| Other Comprehensive Income | (346.86) | | (21.99) | |
| Depreciation and Amortisation Expenses | 143.20 | | 151.94 | |
| Loss/ (Profit) on Sale of Property, Plant & Equipment (net) | (7.92) | | 11.11 | |
| Interest & Dividend Income | (4,388.04) | | (4,260.41) | |
| Finance Cost on lease | 23.47 | | 23.52 | |
| Provisions/ Write-offs | 135.58 | | 466.22 | |
| Provisions/Liabilities no longer required, written back | (270.46) | | (111.09) | |
| Provision for Impairment Loss on investment in JV | 81.88 | | 1.68 | |
| Fair value (gain)/ loss on Mutual funds | (11.41) | | (32.64) | |
| (Gain)/ Loss on translation of foreign currency | 1.87 | (4,638.69) | (3.48) | (3,775.14) |
| **Operating Profit before working capital changes** | | **(9,921.45)** | | **(12,168.07)** |
| **Less: Net Increase (decrease) in Working Capital:** | | | | |
| Increase (Decrease) in Non-Current Financial Loans | (140.90) | | (310.47) | |
| Increase (Decrease) in Non-Current Tax Assets | (9,077.98) | | (3,996.28) | |
| Increase (Decrease) in Other Non-Current Assets | (1,056.43) | | (798.77) | |
| Increase (Decrease) in Trade Receivables | 290.35 | | (976.53) | |
| Increase (Decrease) in Bank Balance | 3,241.64 | | 5,387.93 | |
| Increase (Decrease) in Current Loans | (263.17) | | 101.65 | |
| Increase (Decrease) in Other Current Financial Assets | (85.69) | | (9,004.75) | |
| Increase (Decrease) in Current Tax Assets | 735.19 | | (8,704.41) | |
| Increase (Decrease) in Other Current Assets | 654.97 | | (0.89) | |
| (Increase) Decrease in Non-Current Provisions | (172.80) | | 212.49 | |
| (Increase) Decrease in Other Non-Current Liabilities | 120.83 | | 144.45 | |
| (Increase) Decrease in Trade Payables | (11.07) | | 1,161.02 | |
| (Increase) Decrease in Lease Liability | 0.64 | | 0.58 | |
| (Increase) Decrease in Other Current Financial Liabilities | (665.17) | | (536.46) | |
| (Increase) Decrease in Other Current Liabilities | (3,172.71) | | 1,206.63 | |
| (Increase) Decrease in Current Provisions | (667.41) | | 42.47 | |
| | | (10,269.71) | | (16,071.34) |
| **Net cash from Operating Activities [A]** | | 348.26 | | 3,903.27 |
| **B CASH FLOW FROM INVESTING ACTIVITIES** | | | | |
| Investment in subsidiary company | | - | | (5.00) |
| Advance For IECC Project | | (13,524.57) | | (17,209.79) |
| Cash flow from IECC project under trial | | 4,575.01 | | - |
| Capital Expenditure (WIP) | | (14.72) | | (19.02) |
| Purchase of Property, Plant & Equipment/ other Intangible assets | | (17.72) | | (54.01) |
| Sale of Property, Plant & Equipment | | 12.39 | | 18.04 |
| Investments & Intercorporate Deposits | | (3,006.03) | | (3.18) |
| Interest & Dividend Income | | 4,388.04 | | 4,260.41 |
| **Net cash from Investing Activities [B]** | | (7,587.59) | | (13,012.55) |



| | | | |
|---|---|---|---|
| **C** | **CASH FLOW FROM FINANCING ACTIVITIES** | | |
| | Borrowings | 8,965.82 | 10,403.93 |
| | Interest earned on DSRA | 24.47 | 18.02 |
| | Interest cost | (2,850.27) | (2,320.08) |
| | Finance cost on lease | (23.47) | (23.52) |
| | **Net cash from Financing Activities [C]** | 6,116.55 | 8,078.35 |
| **D** | (Gain)/ Loss on translation of foreign currency | (1.87) | 3.48 |
| | **Net Increase / Decrease in Cash and Cash equivalents [A+B+C+D]** | (1,124.65) | (1,027.45) |
| | Cash and Cash equivalents at the beginning of the year | 3,797.42 | 4,824.87 |
| | Cash and Cash equivalents at the end of the year | 2,672.77 | 3,797.42 |
| | **Components of Cash and Cash Equivalents at the end of the year** | | |
| | Cash in Hand and Cash equivalents (Refer note A) | 0.63 | 0.67 |
| | Balance with Banks - in Current & Saving Accounts | 2,672.14 | 3,796.75 |
| | | **2,672.77** | **3,797.42** |

Note:- A. Cash and Cash equivalents include Cash on hand and Drafts/Cheques on hand, if any.

B. Outflow from Operating Activities at 'A' includes Rs. 27.65 lakhs (previous year Rs. 5.66 lakhs) for payment on CSR Activities against the provisions recorded in previous years.

'Significant Accounting Policies' and 'Notes'- 1 to 35 form an integral part of the Financial Statements

| -sd- | -sd- | -sd- | -sd- |
|---|---|---|---|
| **(R K Thakur)** | **(S R Sahoo)** | **(Vibhu Nayar)** | **(Pradeep Singh Kharola)** |
| Dy. Gen. Manager (Fin.)<br>I/c Chief Financial Officer | Company Secretary | Director | Chairman & Managing Director |
| M. No. 42105 | M. No. F5595 | DIN: 3590141 | DIN: 05347746 |

As per our Report of even date attached
**For P D Agrawal & Co.**
Chartered Accountants
Firm Regn. No. 001049C

-sd-
**Sanjeev Agrawal**
Partner
Membership No. 071427

Place: New Delhi
Dated: 31st Oct. 2022

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022**

## 1. COMPANY INFORMATION

The Company was incorporated in India under Section - 8 of the Companies Act, 2013 (previously section 25 of the Companies Act, 1956) on 30.12.1976 under the name and style, Trade Fair Authority of India (TFAI), with the main object of promoting India's trade primarily through the medium of organizing trade fairs and exhibitions in India and abroad. Subsequent to the merger of erstwhile Trade Development Authority of India with TFAI on 01.01.1992, the merged Organisation was renamed as India Trade Promotion Organisation (ITPO) and approved by the Registrar of Companies of Delhi & Haryana on 16.04.1992. The Company is the apex trade promotion body of the Government of India and functions under the administrative control of the Department of Commerce in the Ministry of Commerce and Industry. The registered office of the company is located at Pragati Bhawan, Pragati Maidan New Delhi-110001 with offices in various states in India and is domiciled in India.

The financial statements for the year ended March 31, 2022 were approved by the Board of Directors on 31st Oct. 2022.

## 2. SIGNIFICANT ACCOUNTING POLICIES

### 2.1 Statement of Compliance and Basis of Preparation

**a. Compliance with Indian Accounting Standards (Ind-AS)**

The financial statements have been prepared in accordance with the Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 (the 'Act') read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and other relevant provisions of the Companies Act, 2013.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All the assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria as set out in Division II of Schedule III to the Companies Act, 2013.

**b. Historical Cost Convention**

The financial statements have been prepared on a historical cost basis, except certain financial assets and financial liabilities which are measured at fair value:

• Certain financial assets and liabilities measured at fair value.

• Plan assets of defined employee benefit plans.

The methods used to measure fair values are disclosed in Notes to accounts.

**c. Functional and presentation currency**

The financial statements are prepared in Indian Rupees ('Rs.'), which is the Company's functional and presentation currency. All financial information presented in Indian Rupees has been rounded to the nearest lakh with two decimal places, unless stated otherwise.



**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022**

**d. Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is classified as current when it is: -

- expected to be realized, or intended to be sold or consumed in normal operating cycle;

- held primarily for the purpose of trading;

- expected to be realized within 12 months after the reporting period; or

- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current when it is:

- expected to be settled in the normal operating cycle;

- held primarily for the purpose of trading;

- due to be settled within 12 months after the reporting date; or

- there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting date.

All other liabilities are classified as non-current.

**Operating Cycle:**

The operating cycle is the time period between acquisition of assets for processing and their realization in cash and cash equivalent. The Company has identified twelve months as its operating cycle.

**e. Use of estimates and judgments**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosure and the disclosure of contingent liabilities. Uncertainty about these estimates and assumptions could result in outcomes that require material adjustments to the carrying amount of the assets and liabilities in future period(s).

These estimates and assumptions are based on the facts and events, that existed as at the date of Balance Sheet, or that occurred after that date but provide additional evidence about conditions existing as at the Balance Sheet date.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are given below:

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

**i. Useful lives of Property Plant and Equipment**

The Property, Plant and Equipment are depreciated on a pro-rate basis on straight line basis over their respective useful lives. Management estimates the useful lives of these assets are not higher than the useful lives & residual value as prescribed in Schedule II of the Companies Act, 2013. Changes in the expected level of usage, technological developments, level of wear and tear could impact the economic useful lives and the residual values of these assets, therefore, future depreciation charges could be revised and could have an impact on the profit in future years.

**ii. Retirement Benefit obligation**

The cost of retirement benefits and present value of the retirement benefit obligations in respect of Gratuity and Leave Encashment is determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, these retirement benefit obligations are sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Details about the assumptions used, including a sensitivity analysis are given in Notes to accounts.

**iii. Fair value measurement of financial instrument**

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

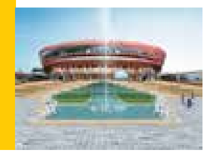
**iv. Impairment of Financial assets**

The impairment provisions of financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Impairment for doubtful debts/ advances is made in respect of dues, including Government Dues, outstanding for more than three financial years, or otherwise, except cases where the Company is hopeful of recovery.

**v. Impairment of non-financial assets**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An assets recoverable amount is the higher of an asset's fair value less cost of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.




In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, or other fair value indicators.

**2.2. PROPERTY, PLANT AND EQUIPMENT**

An item of Property, Plant & Equipment is recognized as an asset, if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Property, Plant & Equipment are accounted for on historical cost basis (inclusive of the cost of installation/ acquisition/ construction and other incidental costs till completion of the installation/ acquisition/ construction of the item) net of recoverable taxes, less accumulated depreciation and impairment loss, if any. In cases where final settlement of bill/ invoice of any contractor/ executing agency is pending, but the asset is complete and available for use, capitalisation is done on the basis of contract awarded/ statement of account/ utilisation certificate subject to the necessary adjustments, including those arising out of settlement of arbitration/court cases.

Subsequent costs are added to the existing asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Income and Expenditure during the period in which they are incurred.

Gains or losses arising on retirement or disposal of property, plant and equipment are recognized in the Statement of Income and Expenditure.

Depreciation is charged to Statement of Income & Expenditure on straight-line basis over the estimated useful life of an asset estimated by the management, in the manner prescribed in Schedule II of the Companies Act, 2013. The useful lives in the following cases are different from those prescribed in Schedule II of the Companies Act, 2013.

| Asset | Useful life as per Schedule II of the Companies Act, 2013 (No. of Years) | Useful life as assessed / estimated by the Company (No. of Years) |
|---|---|---|
| Buildings - Leasehold/ Freehold | 60 | A- Permanent: 40<br>B- Semi-permanent: 20<br>C- Temprorary:10 |
| Vehicles | 8 | 5 |

Based on usage pattern and internal assessment, the management believes that the useful lives as given above best represent the period over which the management expects to use these assets.

The property, plant and equipment costing up to Rs. 5,000/- each are fully depreciated in the year of addition.

In case of additions to/ deductions from assets, depreciation is charged on pro-rata basis from/ up to the month in which the asset is available for use/ disposal.

## 2.3. CAPITAL WORK-IN-PROGRESS

Property, Plant and Equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress". Net income or expenditure during pre-commissioning/ trials is adjusted in the cost of related assets.

In cases where final settlement of bills with contractors/ executing agency is pending, Cost/ Expenditure are recognised as CWIP on the basis of contract awarded/ statement of accounts/ utilisation certificate, subject to necessary adjustments, including those arising out of settlement of arbitration/ court cases.

## 2.4. INTANGIBLE ASSETS

Intangible assets are measured on initial recognition at cost. After initial recognition, intangible assets are carried at cost less accumulated amortisation and impairment losses, if any.

An item of Intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of Income & Expenditure.

Intangible assets are fully amortised equally over the period of legal right to use. Where the period of legal right to use is not available, the assets are amortised over three financial years, from the year in which the asset is available for use.

## 2.5. IMPAIRMENT OF NON-FINANCIAL ASSETS

The Company assesses, at each reporting date, using external and internal sources, whether there is an indication that a non-financial asset may be impaired and also whether there is an indication of reversal of impairment loss recognised in the previous period(s). If any indication exists, or when annual impairment testing for an asset is required, the Company determines the recoverable amount and impairment loss is recognised when the carrying value of an asset exceeds its recoverable amount.

The recoverable amount is determined:

- in the case of an individual asset, at the higher of the asset's fair value less cost of selling and value in use; and

- in the case of cash generating unit (a group of assets that generates identified, independent cash flows) at the higher of the cash generating unit's fair value less cost to sell and value in use.

In assessing value in use, estimated future cash flows are discounted to their present value using a pre-tax discount rate that effects current market assessments of the time value of money and the risks specific to that asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

An impairment loss for an asset is reversed, if and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized, the carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss being recognized for the asset in prior year/s.





**2.6. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents comprise cash on hand, drafts/cheques on hand, bank balances, deposits with banks and short-term investments, which are short-term (three months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

**2.7. INVENTORIES**

Inventories are valued at lower of the cost or net realizable value. Obsolete, defective and unserviceable stocks are provided for, wherever required.

**2.8. FOREIGN CURRENCY TRANSACTIONS**

Foreign currency transactions are recorded at the average rate of remittances. Monetary assets and liabilities in foreign currency existing at balance sheet date are translated at the year-end exchange rates. Exchange rate differences arising on settlement of transaction and translation of monetary items are recognized as income or expenses in the year in which they arise.

Non- monetary items that are measured in terms of historical cost in foreign currency are translated using the average rate of remittances. In case previous funds are utilised, average rate of the previous remittance(s) is taken for the purpose of conversion.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

**2.9. FAIR VALUE MEASUREMENT**

In determining the fair value of financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices, etc. All methods of assessing fair value result in general approximation of value, and such value may not actually be realized.

For financial assets and liabilities maturing within one year from the Balance Sheet date are not carried at fair value, due to the short maturity of these instruments.

**2.10. FINANCIAL INSTRUMENTS**

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**(i) Financial Assets**

**(a) Initial recognition and measurement**

At initial recognition, all financial assets are recognized at its fair value plus, in the case of a financial asset not carried at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in Statement of Income and Expenditure.

**(b) Classification and subsequent measurement**
For the purpose of subsequent measurement, financial assets are classified in the following categories:

1. Financial assets measured at amortized cost;
2. Financial assets measured at fair value through other comprehensive income (FVTOCI); and
3. Financial assets measured at fair value through profit and loss (FVTPL)

Where financial assets are measured at fair value, gains and losses are either recognized entirely in the Statement of Income and Expenditure (i.e. fair value through profit and loss), or recognized in other comprehensive income (i.e. fair value through Other Comprehensive Income).

The classification of financial assets depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows. Management determines the classification of its financial assets at initial recognition.

(1) Financial assets measured at amortized cost:

A financial asset is measured at amortized cost if both the following conditions are met:

- Business Model Test: The objective of the business model is to hold financial asset in order to collect contractual cash flows (rather than to sell the asset prior to its financial maturity to realize its fair value changes); and

- Cash Flow Characteristics Test: Contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. The EIR amortization is included in interest income in the statement of income and expenditure. The losses arising from impairment are recognized in the statement of income and expenditure. This category generally applies to employee loans and other loans/ advances having specified terms etc.

(2) Financial instruments measured at Fair Value Through Other Comprehensive Income (FVTOCI):

A financial instrument shall be measured at fair value through other comprehensive income if both of the following conditions are met:

- Business Model Test: The objective of the business model is achieved by both collecting contractual cash flows and selling financial assets; and

- Cash Flow Characteristics Test: The Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on principal amount outstanding.

Financial instruments included within FVTOCI category are measured initially as well as at each reporting period at fair value. Fair value movements are recognized in Other Comprehensive Income (OCI) except for the recognition of interest income, impairment gains and losses and foreign exchange gain and losses which are recognized in the Statement of Income and Expenditure.



(3) Fair Value through Profit and Loss is a residual category. Any financial instrument, which does not meet the criteria for categorization as at amortized cost or fair value through other comprehensive income is classified as FVTPL. Financial instruments included in FVTPL category are measured initially as well as at each reporting period at fair value. Fair value movements i.e. gain or loss and interest income are recorded in Statement of Income and Expenditure.

**(c) Impairment of financial assets**

The Company assesses impairment based on expected credit losses (ECL) model to the following:

- Financial Assets measured at amortized cost;

- Financial Assets measured at FVTOCI.

Expected credit losses are measured through a loss allowance at an amount equal to:

- the 12 months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

- full lifetime expected credit losses (expected credit losses that result from all possible defaults events over the life of the financial instrument).

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Financial assets that are debt instruments, and are measured at amortized cost i.e. trade receivables, deposits with banks and employee loans and other loans/ advances having specified terms etc.

- Financial assets that are debt instruments, and are measured at FVTOCI.

Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The trade receivables are initially recognized at the sale/recoverable value and are assessed at each Balance sheet date for collectability. Trade receivables are classified as current assets, if collection is expected within twelve months as at Balance Sheet date, if not, they are classified under non-current assets.

Impairment for doubtful receivables is made in respect of dues, including Government Dues, outstanding for more than three financial years, or otherwise, except cases where the Company is hopeful of recovery.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12 months (Expected Credit Loss) ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12-months ECL.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on timely basis.

**(d) Derecognition of financial assets**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's Balance Sheet) when:

a. The rights to receive cash flows from the asset have been expired/transferred, or

b. The Company retains the contractual right to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, it evaluates whether it has substantially transferred all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. When the Company has not transferred substantially all the risks and rewards of ownership of a financial asset, the financial asset is not derecognized.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. When the entity retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

**(ii) Financial Liabilities**

**(a) Initial recognition and measurement**

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade payables, borrowings, security deposits and other payables.

**(b) Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

**Financial Liabilities at Fair Value through Profit or Loss (FVTPL)**

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognized in the income and expenditure.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in IND AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in Other Comprehensive Income. These gains/ losses are not subsequently transferred to Statement of Income and Expenditure. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the Statement of Income & Expenditure.





**Borrowings & Security Deposits**

Any difference between the proceeds (net of transaction costs) and the repayment amount is recognized as Income & Expenditure over the period of the liability and subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in the Statement of Income & Expenditure when the liabilities are derecognized as well as through the EIR amortization process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Income & Expenditure.

**Trade and other payables**

Trade and other payables are obligations incurred by the Company towards purchase of goods and availing the services that have been acquired or availed in the ordinary course of business. Trade and other payables are classified under current liabilities, if payment is due within 12 months as at the date of Financial Statements, if not, they are classified under non-current liabilities. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

**(c) Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Income and Expenditure.

*Since the Company is incorporated under Section 8 of the Companies Act, 2013, it prepares a Statement of Income & Expenditure as per Section 2(40). Hence for the purpose of complying with Ind AS, FVTPL- Fair Value through Profit & Loss Account (wherever mentioned) would mean Fair Value through Statement of Income & Expenditure.

**2.11. INVESTMENTS IN SUBSIDIARIES, JOINT VENTURE AND ASSOCIATE**

Investments in subsidiaries, joint venture and associate are carried at cost, less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down to its recoverable amount. On disposal of investments, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Income and Expenditure.

## 2.12. REVENUE RECOGNITION

a) Company recognizes Revenue from Contracts with Customers based on five step process as set out in Ind AS-115:

(i) Identify contracts with a customer: - A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.
(ii) Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
(iii) Determine the transaction price: The transaction price is the amount of consideration to which the company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.
(iv) Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.
(v) Recognise revenue when or as the Company satisfies a performance obligation by transferring a promised goods or services to a customer. An asset is transferred when the customer obtains control of that asset.

b) The performance obligation is satisfied and recognized as revenue overtime, if one of the following criteria is met:
   (i) The performance does not create assets with an alternate use and has an enforceable right to payment for performance completed to date.
   (ii) The performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
   (iii) The customer simultaneously receives and consumes the benefits provided.

c) For performance obligations where one of the above conditions are not met, revenue is recognized at the point in time at which the performance obligation is satisfied. When performance obligation is satisfied by delivering the promised goods or services it creates a contract-based asset on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount revenue recognized this give rise to a contract liability

d) Revenue is recognized to the extent it is probable that the economic benefits will flow and the revenue and costs if applicable can be measured reliably.

e) Income and Expenditure in respect of Fairs/ Exhibitions held in India and abroad, is accounted for in the year in which the event commences. However, in case of long-term events having duration of three months or more, spread over two accounting periods, major period of which falls in the subsequent accounting period, the income & expenditure of such event is accounted for in the year in which the event concludes.

   It is measured at fair value of the consideration received or receivable, after deduction of discounts/ rebates and any taxes or duties collected on behalf of the government which are levied such as Goods and Service Tax.

f) Revenue from rentals and operating leases is recognized on accrual basis in accordance with the substance of the relevant agreement.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2022

g) Cost of exhibits of the Company and items of interior decoration displayed at fairs, are treated as revenue expenditure. However, new exhibits in stock for utilization in future fairs are treated as closing stock.

h) Expenditure incurred through agencies like CPWD/ NBCC on Civil, Electrical, Horticulture, etc. is accounted for on the basis of statements/accounts/ utilisation certificates rendered by them.

i) In cases where contracts with licensee(s) have expired, dues are accounted for provisionally on the basis of expired contracts/revised accords till final decision in the matter is reached/revised contracts are executed.

j) Claims for liquidated damages from contractors for delayed execution of work is recognised as Income, when the amount is finally determined and agreed upon.

k) Subscription fees from associate subscribers and service charges from regular subscribers are recognised on receipt basis. However, subscription fee received in advance is accounted for in the relevant year for which it pertains.

l) Dividend income is recognised in the Statement of Income & Expenditure when the right to receive dividend is established.

m) Interest income is recognized on time proportion basis taking into account the amount outstanding and applicable interest rates.

n) Income and Expenditure relating to earlier years, not exceeding Rs.10,000/- in each case, are treated as pertaining to current year.

**2.13. GOVERNMENT GRANTS**

Government grants are recognized with deferred income approach when there is reasonable assurance that they will be received and the Company will comply with the conditions associated with the grant.

Grants that compensate the Company for expenses incurred are recognized as income in the period in which the related costs are incurred.

Grants in the nature of promoter's contribution is recognised in appropriate category under Other Equity.

**2.14. BORROWING COSTS**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying tangible assets that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Capitalisation of borrowing cost ceases when substantially all the activities necessary to prepare the qualifying tangible assets for their intended use are complete.

**2.15. EMPLOYEE BENEFITS**

a. Short Term Employee Benefits

All Employee benefits payable within twelve months of rendering the services are classified as short-term benefits. Such benefits include salaries, wages, bonus, awards, ex-gratia, performance incentive/pay etc. and the same are recognized in the period in which the employee renders the related services.

b. Post-Employment Benefits

i. Defined contribution plan:

The Company's approved provident fund scheme and employees' pension scheme are defined contribution plans. The Company has no obligation, other than the contribution paid/payable under such schemes to separate trusts, which invests the fund in permitted securities. The contribution paid/payable under the schemes is recognized during the period in which the employee renders the related service. The Company is also under obligation to make good the accumulated shortfall of the trusts, if any, and recognise such shortfall as its expense.

ii. Defined benefit plan

The employees' gratuity fund scheme (funded) and the employees leave encashment (unfunded) are the Company's defined benefit plans. The present value of the obligation under such defined benefit plans is determined based on the actuarial valuation on projected unit credit method as at the balance sheet date. Gratuity is funded through a separate ITPO Employees Gratuity Fund Trust which manages the affairs of the trust. Re-measurement, comprising of actuarial gains and losses, are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to Statement of Income and Expenditure in subsequent periods. The Company is also under obligation to make good the accumulated shortfall of the gratuity trust, if any, and recognise such shortfall as its expense.

c. Termination Benefits

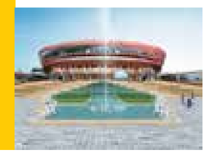
The expenses incurred on terminal benefits in the form of ex-gratia payments and notice pay on voluntary retirement schemes are charged to the Statement of Income and Expenditure in the year of incurrence of such expenses.

**2.16. PROVISIONS AND CONTINGENT ASSETS & LIABILITIES**

**a) Provisions**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation, at the balance sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.





**b) Contingent Liabilities**

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as contingent liability, unless the probability of outflow of economic benefit is remote. Contingent liabilities are disclosed on the basis of judgment of management/independent experts. These are reviewed at each Balance Sheet date and are adjusted to reflect the current management estimate.

**c) Contingent Assets**

Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgment of management. These are assessed continually to ensure that developments are appropriately reflected in financial statements.

### 2.17 EARNING PER SHARE

Basic earnings per share is calculated by dividing net surplus/ deficit of the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

### 2.18. SEGMENT REPORTING

The operating segments are identified on the basis of internal reports used by the Company's Management to allocate resources and assess their performance for decision making. The Board of Directors is collectively the company's "chief operating decision maker" or "CODM" within the meaning of Ind AS 108.
The company has identified two reporting segments namely trade promotion activities in India & abroad.

### 2.19. LEASES

All lease contracts where the company is lessee, with limited exceptions, are recognized in the financial statements by way of right-of-use assets and corresponding lease liabilities. Ind AS 116 defines a lease as a contract that conveys the right to control the use of an identified asset for a period of time in exchange for consideration.
To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

i. the contract involves use of an identified asset,
ii. the Company has substantially all the economic benefits from the use of the asset during the period of the lease and
iii. the Company has the right to direct the use of the asset.

**Company as a lessee**
At the date of commencement of the lease, the Company recognises a right-of-use asset (ROU) and a

corresponding lease liability for all lease arrangements in which it is a lessee, except for lease with a term of twelve months or less (i.e. short term leases) and leases for which the underlying asset is of low value. For these short-term leases for which the underlying asset is of low value, the Company recognizes the lease payments on straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the inception date of the lease along with any initial direct costs, restoration obligations and lease incentives received.

Subsequently, the right-of-use assets is measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The Company applies Ind AS 36 to determine whether a ROU asset is impaired and accounts for any identified impairment loss.

The lease liability is initially measured at present value of the lease payments that are not paid at that date.

The interest cost on lease liability is expensed in the Statement of Income & Expenditure.

**Company as a lessor**

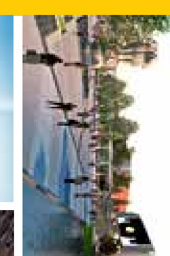
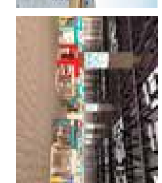
Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

### 2.20. STANDARD/AMENDMENTS ISSUED BUT NOT YET EFFECTIVE

MCA had issued the Indian Accounting Standards Amendments Rules, 2022 vide notification dated 23rd March 2022.In the Indian Accounting Standards Amendments Rules, 2022, amendments have been made in following standards:

1. First-time Adoption of Indian Accounting Standards (Ind AS-101)
2. Business Combinations (Ind AS-103)
3. Financial Instruments (Ind AS-109)
4. Property, Plant and Equipment (Ind AS-16)
5. Provisions, Contingent Liabilities and Contingent Assets (Ind AS-37)
6. Agriculture (Ind AS-41)

The effective date of these amendments is annual periods beginning on or after 1st April 2022. The Company is currently evaluating the impact of the amendments and expects no material impact on the financial statements.

**NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022**

**3 Property, Plant and Equipment**
**(As at 31st March, 2022)**

(Rs.in Lakhs)

| | Description | Useful Life (years) | Gross Block | | | | Depreciation | | | | Net Block | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | As at 1.04.2021 | Additions during the year | Sales/ disposal/ adjustments during the year | As at 31.03.2022 | As at 1.04.2021 | For the year | Sales/ disposal/ adjustments during the year | As at 31.03.2022 | As at 31.03.2022 | As at 31.03.2021 |
| A | **PROPERTY, PLANT & EQUIPMENT** | | | | | | | | | | | |
| | **Buildings- on Leasehold Land** | | | | | | | | | | | |
| | A Class: Permanent | 40 | 1,210.45 | - | 0.01 | 1,210.44 | 370.85 | 47.95 | 0.01 | 418.79 | 791.65 | 839.60 |
| | B Class: Semi-permanent | 20 | 381.28 | - | - | 381.28 | 60.98 | 18.03 | - | 79.01 | 302.27 | 320.30 |
| | C Class: Temporary | 10 | 145.21 | - | - | 145.21 | 49.75 | 10.14 | - | 59.89 | 85.32 | 95.47 |
| | | | | | | | | | | | | |
| | **Buildings- Freehold** | | | | | | | | | | | |
| | Residential/ office flats-freehold | 40 | 160.09 | - | - | 160.09 | 36.83 | 6.14 | - | 42.97 | 117.12 | 123.26 |
| | | | | | | | | | | | | |
| | **Electric installations/ fittings** | 10 | 189.31 | - | 0.01 | 189.30 | 85.15 | 11.59 | - | 96.74 | 92.56 | 104.16 |
| | Water supply & drainage | 10 | 8.63 | - | - | 8.63 | 4.26 | 0.78 | - | 5.04 | 3.59 | 4.37 |
| | | | | | | | | | | | | |
| | **Plant and Machinery** | | | | | | | | | | | |
| | Solar installation | 15 | 110.26 | - | - | 110.26 | 34.14 | 6.98 | - | 41.12 | 69.14 | - |
| | Air conditioning plants | 15 | - | - | - | - | - | - | - | - | - | - |
| | | | | | | | | | | | | |
| | **Furniture & fittings** | | | | | | | | | | | |
| | Furniture & fixture | 10 | 38.86 | - | 6.10 | 32.76 | 25.47 | 2.07 | 4.47 | 23.07 | 9.69 | 13.39 |
| | Fire hydrant & fire fighting systems | 10 | 6.89 | - | - | 6.89 | 1.33 | 0.05 | - | 1.38 | 5.51 | 5.56 |
| | | | | | | | | | | | | |
| | **Vehicles** | 5 | 24.41 | 0.33 | 0.23 | 24.51 | 20.67 | 0.31 | - | 20.98 | 3.53 | 3.74 |
| | | | | | | | | | | | | |
| | **Office Equipments** | | | | | | | | | | | |
| | Office equipments/ other miscellaneous assets | 5 | 93.23 | 12.21 | 7.92 | 97.52 | 44.59 | 13.96 | 6.19 | 52.36 | 45.16 | 48.64 |
| | Audio visual equipments | 5 | 147.49 | - | - | 147.49 | 128.22 | - | - | 128.22 | 19.27 | 19.26 |
| | | | | | | | | | | | | |
| | **Computers & Data Processing** | | | | | | | | | | | |
| | Servers & networks | 6 | 38.76 | - | 0.01 | 38.75 | 27.78 | 0.90 | - | 28.68 | 10.07 | 10.96 |
| | Computers, etc. | 3 | 135.59 | 0.05 | 4.28 | 131.36 | 100.10 | 5.84 | 3.35 | 102.59 | 28.77 | 35.49 |
| | **SUB TOTAL(A)** | | **2,690.46** | **12.59** | **18.57** | **2,684.49** | **990.12** | **124.74** | **14.02** | **1,100.84** | **1,583.65** | **1,624.22** |

| | Description | Gross Block | | | | Depreciation | | | | Net Block | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | As at 1.04.2021 | Additions during the year | Sales/ disposal/ adjustments during the year | As at 31.03.2022 | As at 1.04.2021 | For the year | Sales/ disposal/ adjustments during the year | As at 31.03.2022 | As at 31.03.2022 | As at 31.03.2021 |
| B | **CAPITAL WORK IN PROGRESS** | | | | | | | | | | |
| | International Exhibition Cum Convention Centre (IECC)- Refer Note 35.8 | 1,82,577.35 | 16,492.83 | 6,191.86 | 1,92,878.32 | - | - | - | - | 1,92,878.32 | 1,82,577.35 |
| | **SUB TOTAL (B)** | **1,82,577.35** | **16,492.83** | **6,191.86** | **1,92,878.32** | **-** | **-** | **-** | **-** | **1,92,878.32** | **1,82,577.35** |
| | | | | | | | | | | | |
| | **GRAND TOTAL (A+B)** | **1,85,267.81** | **16,505.42** | **6,210.43** | **1,95,562.81** | **990.12** | **124.74** | **14.02** | **1,100.84** | **1,94,461.97** | **1,84,201.57** |

3.1 Depreciation includes Rs. 1.01 lakhs (Previous Year Rs. 0.46 lakh) in respect of each asset costing up to Rs. 5,000/-, fully depreciated in the year of addition.

3.2 Based on a study carried out by a professional firm, no case of impairment of assets exists as at 31st March, 2022 under the provisions of Ind AS- 36 on impairment of assets.

3.3 The physical verification of immovable properties & assets attached thereto at Head office and assets at Regional Offices, have been majorly carried out internally and the same is reconciled. The physical verification of the movable items viz. Furniture & Fixtures and Office Equipments at head office was got done through an external agency. The reconciliation of the movable items viz. Furniture & Fixtures and Office Equipments at head office having WDV of Rs. 53.43 lakhs is under way. The necessary entries for discrepancies, if any, will be recorded in subsequent periods. However, no material discrepancies are expected as per past experience.

3.4 Refer 'para 2.2 & 2.3' of 'Significant Accounting Policies' for the accounting on Property, Plant and Equipment and Capital Work-in-progress

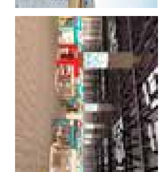
**Ageing Schedule of Capital Work-in-Progress**
**(As at 31st March, 2022)**

| | Amount in CWIP for a period of | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| IECC Project in progress | 10,300.97 | 16,380.96 | 33,901.86 | 1,32,294.53 | 1,92,878.32 |
| Projects temporarily suspended | - | - | - | - | - |

**CWIP Completion Schedule for delayed project(s)**
**(As at 31st March, 2022)**

| | To be completed in | | | |
|---|---|---|---|---|
| | Less than 1 Year | 2-3 years | More than 3 years | Total |
| IECC Project in progress | 1,92,878.32 | - | - | 1,92,878.32 |





(As at 31st March, 2021) (Rs.in Lakhs)

| | Description | Useful Life (years) | Gross Block | | | | Depreciation | | | | Net Block | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | As at 1.04.2020 | Additions during the year | Sales/ disposal/ adjustments during the year | As at 31.03.2021 | As at 1.04.2020 | For the year | Sales/ disposal/ adjustments during the year | As at 31.03.2021 | As at 31.03.2021 | As at 31.03.2020 |
| A | **PROPERTY, PLANT & EQUIPMENT** | | | | | | | | | | | |
| | **Buildings- on Leasehold Land** | | | | | | | | | | | |
| | A Class: Permanent | 40 | 1,210.45 | - | - | 1,210.45 | 322.90 | 47.95 | - | 370.85 | 839.60 | 887.55 |
| | B Class: Semi-permanent | 20 | 381.28 | - | - | 381.28 | 42.53 | 18.45 | - | 60.98 | 320.30 | 338.75 |
| | C Class: Temporary | 10 | 145.21 | - | - | 145.21 | 35.15 | 14.60 | - | 49.75 | 95.46 | 110.07 |
| | | | | | | | | | | | | |
| | **Buildings- Freehold** | | | | | | | | | | | |
| | Residential/ office flats- free hold | 40 | 160.09 | - | - | 160.09 | 30.69 | 6.14 | - | 36.83 | 123.26 | 129.40 |
| | | | | | | | | | | | | |
| | **Electric installations/ fittings** | 10 | 189.31 | - | - | 189.31 | 71.85 | 13.29 | - | 85.15 | 104.16 | 117.46 |
| | Water supply & drainage | 10 | 8.63 | - | - | 8.63 | 3.50 | 0.77 | - | 4.26 | 4.36 | 5.14 |
| | | | | | | | | | | | | |
| | **Plant and Machinery** | | | | | | | | | | | |
| | Solar installation | 15 | 110.26 | - | - | 110.26 | 27.16 | 6.98 | - | 34.14 | 76.11 | 83.10 |
| | Air conditioning plants | 15 | 60.37 | - | 60.37 | - | 49.03 | - | 49.03 | - | - | 11.35 |
| | | | | | | | | | | | | |
| | **Furniture & fittings** | | | | | | | | | | | |
| | Furniture & fixture | 10 | 39.06 | 0.12 | 0.32 | 38.86 | 23.43 | 2.32 | 0.28 | 25.47 | 13.39 | 15.63 |
| | Fire hydrant & fire fighting systems | 10 | 6.89 | - | - | 6.89 | 1.28 | 0.05 | - | 1.33 | 5.56 | 5.61 |
| | | | | | | | | | | | | |
| | **Vehicles** | 5 | 24.44 | - | 0.03 | 24.41 | 17.84 | 2.83 | - | 20.67 | 3.74 | 6.60 |
| | | | | | | | | | | | | |
| | **Office Equipments** | | | | | | | | | | | |
| | Office equipments/ other miscellaneous assets | 5 | 122.60 | 12.33 | 41.69 | 93.23 | 56.37 | 15.85 | 27.63 | 44.59 | 48.64 | 66.22 |
| | Audio visual equipments | 5 | 149.93 | - | 2.44 | 147.49 | 130.24 | - | 2.02 | 128.22 | 19.26 | 19.69 |
| | | | | | | | | | | | | |
| | **Computers & Data Processing** | | | | | | | | | | | |
| | Servers & networks | 6 | 38.76 | - | - | 38.76 | 26.89 | 0.90 | - | 27.78 | 10.96 | 11.86 |
| | Computers, etc. | 3 | 125.55 | 15.03 | 4.99 | 135.59 | 98.14 | 3.71 | 1.76 | 100.10 | 35.49 | 27.41 |
| | | | | | | | | | | | | |
| | **SUB TOTAL(A)** | | **2,772.83** | **27.48** | **109.85** | **2,690.46** | **937.00** | **133.84** | **80.72** | **990.12** | **1,700.31** | **1,835.83** |

| | Description | As at 1.04.2020 | Additions during the year | Sales/ disposal/ adjustments during the year | As at 31.03.2021 | As at 1.04.2020 | For the year | Sales/ disposal/ adjustments during the year | As at 31.03.2021 | As at 31.03.2021 | As at 31.03.2020 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Gross Block | | | | Depreciation | | | | Net Block | |
| B | **CAPITAL WORK IN PROGRESS** | | | | | | | | | | |
| | International Exhibition Cum Convention Centre (IECC)- Refer Note 35.8 | 1,66,196.39 | 17,530.43 | 1,149.47 | 1,82,577.35 | - | - | - | - | 1,82,577.35 | 1,66,196.39 |
| | **SUB TOTAL (B)** | **1,66,196.39** | **17,530.43** | **1,149.47** | **1,82,577.35** | **-** | **-** | **-** | **-** | **1,82,577.35** | **1,66,196.39** |
| | **GRAND TOTAL (A+B)** | **1,68,969.22** | **17,557.91** | **1,259.32** | **1,85,267.81** | **937.00** | **133.84** | **80.72** | **990.12** | **1,84,277.66** | **1,68,032.22** |

3.1 Depreciation includes Rs. 0.46 lakh (Previous Year Rs. 0.57 lakh) in respect of each asset costing up to Rs. 5,000/-, fully depreciated in the year of addition.

3.2 Based on a study carried out by a professional firm, no case of impairment of assets exists as at 31st March, 2021 under the provisions of Ind AS- 36 on impairment of assets.

3.3 Pending the appointment of external agency, the physical verification of assets except Office Equipments & Furniture & Fixtures has been carried out internally during the year in which no material discrepancies were observed. The physical verification by the external agency, as per practice will be carried in due course.

3.4 Refer 'para 2.2 & 2.3' of 'Significant Accounting Policies' for the accounting on Property, Plant and Equipment and Capital Work-in-progress.

**Ageing Schedule of Capital Work-in-Progress**
**(As at 31st March, 2021)**

| | Amount in CWIP for a period of | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| Projects in progress | 16,380.96 | 33,901.86 | 1,05,076.14 | 27,218.39 | 1,82,577.35 |
| Projects temporarily suspended | - | - | - | - | - |

**CWIP Completion Schedule for delayed project(s)**
**(As at 31st March, 2021)**

| | To be completed in | | | |
|---|---|---|---|---|
| | Less than 1 Year | 2-3 years | More than 3 years | Total |
| IECC Project in progress | - | 1,82,577.35 | - | 1,82,577.35 |

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

### 4 Other Intangible Assets

(As at 31st March, 2022) (Rs.in Lakhs)

| Description | Useful Life (years) | Gross Block | | | | Amortization | | | | Net Block | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | As at 1.04.2021 | Additions during the year | Sales/ disposal/ adjustments during the year | As at 31.03.2022 | As at 1.04.2021 | For the year | Sales/ disposal/ adjustments during the year | As at 31.03.2022 | As at 31.03.2022 | As at 31.03.2021 |
| Computer Softwares | 3 | 117.28 | 5.13 | - | 122.41 | 92.30 | 11.15 | 0.01 | 103.44 | 18.96 | 24.98 |
| Website | 3 | 20.64 | - | - | 20.64 | 20.54 | 0.07 | - | 20.62 | 0.03 | 0.11 |
| **TOTAL** | | **137.93** | **5.13** | **-** | **143.06** | **112.85** | **11.23** | **0.01** | **124.07** | **18.99** | **25.09** |

4.1 Refer 'para 2.4' of 'Significant Accounting Policies' for the amortisation of Intangible Assets.

(As at 31st March, 2021) (Rs.in Lakhs)

| Description | Useful Life (years) | Gross Block | | | | Amortization | | | | Net Block | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | As at 1.04.2020 | Additions during the year | Sales/ disposal/ adjustments during the year | As at 31.03.2021 | As at 1.04.2020 | For the year | Sales/ disposal/ adjustments during the year | As at 31.03.2021 | As at 31.03.2021 | As at 31.03.2020 |
| Computer Softwares | 3 | 90.79 | 26.49 | - | 117.28 | 81.51 | 10.78 | - | 92.30 | 24.98 | 9.27 |
| Website | 3 | 20.60 | 0.04 | - | 20.64 | 20.47 | 0.07 | - | 20.54 | 0.10 | 0.14 |
| **TOTAL** | | **111.40** | **26.53** | **-** | **137.93** | **101.99** | **10.86** | **-** | **112.85** | **25.08** | **9.41** |

4.1 Refer 'para 2.4' of 'Significant Accounting Policies' for the amortisation of Intangible Assets.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

(Rs. in Lakhs)

| 5 | INVESTMENTS IN SUBSIDIARIES, JOINT VENTURE & ASSOCIATE (valued at cost, unless stated otherwise) | | As at March 31, 2022 | | As at March 31, 2021 |
|---|---|---|---|---|---|
| | **In Equity Shares- Unquoted, fully paid up** | | | | |
| | **Subsidiary Companies** | | | | |
| | 51 (51) equity shares of Rs.1,000/- each in Tamilnadu Trade Promotion Organisation (TNTPO) | 0.51 | | 0.51 | |
| | 1,02,000 (1,02,000) equity shares of Rs.1,000/- each in Karnataka Trade Promotion Organisation (KTPO) | 1,020.00 | | 1,020.00 | |
| | 5,000 (Nil) equity shares of Rs.100/- each in ITPO Services Limited (ISL) | 5.00 | | 5.00 | |
| | | | 1,025.51 | | 1,025.51 |
| | **Jointly Controlled Entity & Associate Company** | | | | |
| | 2,00,000 (2,00,000) equity shares of Rs.100/- each in National Centre for Trade Information (NCTI)- under liquidation | 200.00 | | 200.00 | |
| | (Less): Provision for Impairment Loss | (200.00) | - | (118.12) | 81.88 |
| | 2,20,000 (2,20,000) equity shares of Rs. 100/- each in Jammu & Kashmir Trade Promotion Organisation (JKTPO) | | 220.00 | | 220.00 |
| | | | **1,245.51** | | **1,327.39** |

5.1 Information about Subsidiaries, Joint Venture and Associate:

| Name of Company | Country of Incorporation | Principal | Proportion (%) of Shareholding 31.03.2022 | 31.03.2021 |
|---|---|---|---|---|
| **Investment in Subsidiaries:** | | | | |
| Tamil Nadu Trade Promotion Organisations | India | Trade Promotion | 51% | 51% |
| Karnataka Trade Promotion Organisation | India | Trade Promotion | 51% | 51% |
| ITPO Services Limited | India | Hospitality | 100% | 100% |
| **Investment in Joint Venture & Associate:** | | | | |
| National Centre for Trade Information (under liquidation) | India | Trade Information | 50% | 50% |
| Jammu & Kashmir Trade Promotion Organisation | India | Trade Promotion | 42.05% | 42.05% |

5.2 Equity investments in subsidiaries, joint ventures and associate are measured at cost (net of impairment loss, if any) as per the provisions of Ind AS 27 on 'Separate Financial Statements'.

(Rs. in Lakhs)

| 6 | INVESTMENTS | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|---|
| | **In Equity Shares- Unquoted, fully paid up** | | |
| | (carried at fair value through other comprehensive income) | | |
| | 5 (5) shares of Rs.50/- each aggregating to Rs. 250/- in Sea Glimpse Cooperative Housing Society, Mumbai | - | - |
| | | * - | * - |
| | (i) Aggregate amount of Unquoted Investments | - | - |
| | (ii) Aggregate amount of impairment in the value of investments | - | - |
| | * Amount less than Rs. 1,000/- | | |

(Rs. in Lakhs)

| 7 | LOANS (Considered good) | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|---|
| | Loan/ Advances to Employees (including accrued interest) Refer Note No. 7.1 | | |
| | Secured | 193.82 | 238.72 |
| | Unsecured | 760.30 | 856.30 |
| | | **954.12** | **1,095.02** |
| 7.1 | Loan to Employees includes due from officers in the nature of loan | 9.43 | 11.88 |

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

(Rs. in Lakhs)

| 8 | TAX ASSETS (Unsecured) | | As at March 31, 2022 | | As at March 31, 2021 |
|---|---|---|---|---|---|
| | Income Tax / TDS Recoverable (Refer Note. 35.5 B) | | | | |
| | Considered good | | 2,374.55 | | 9,398.34 |
| | Considered doubtful | 426.00 | | 426.00 | |
| | (Less): Provision for doubtful TDS | (426.00) | - | (426.00) | - |
| | Deposit under protest | | - | | 1,319.00 |
| | | | 2,374.55 | | 10,717.34 |
| 8.1 | **Non-current Tax Assets** | | **1,639.36** | | **10,717.34** |
| 8.2 | **Current Tax Assets** | | **735.19** | | **-** |

(Rs. in Lakhs)

| 9 | OTHER NON-CURRENT ASSETS | | As at March 31, 2022 | | As at March 31, 2021 |
|---|---|---|---|---|---|
| | **Capital Advances** | | | | |
| | Secured (against corporate guarantee of NBCC) [Refer Note 35.8(g)] | 19,454.00 | | 15,621.00 | |
| | Unsecured, considered good | 681.76 | 20,135.76 | 2,248.90 | 17,869.90 |
| | **Other recoverable** (Unsecured, considered good) | | | | |
| | Sundry Deposits | | 244.23 | | 1,187.22 |
| | Service Tax Recoverable (Refer Note 35.9) | | - | | 881.31 |
| | Deferred Payroll expense | | 54.30 | | 63.19 |
| | | | **20,434.29** | | **20,001.62** |

(Rs. in Lakhs)

| 10 | INVESTMENTS | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|---|
| | **In Mutual Funds- Quoted** | | |
| | (Carried at fair value through Statement of Income and Expenditure) | | |
| | 3,43,956.933 (3,25,333.892) units of Rs. 10/- each in UTI-Balanced Fund Dividend Reinvestment scheme | 113.01 | 95.57 |
| | | **113.01** | **95.57** |
| | (i) Aggregate amount of quoted investment & market value thereof | 113.01 | 95.57 |
| | (ii) Aggregate amount of impairment in the value of investments | - | - |

(Rs. in Lakhs)

| 11 | TRADE RECEIVABLES | | As at March 31, 2022 | | As at March 31, 2021 |
|---|---|---|---|---|---|
| | Considered good – Secured | | - | | - |
| | Considered good – Unsecured (Refer Note 11.1) | | 674.22 | | 419.88 |
| | Trade Receivables – which have significant increase in credit risk | 955.65 | | 938.09 | |
| | Trade Receivables – credit impaired | - | | - | |
| | (Less): loss allowance | (955.65) | - | (938.09) | - |
| | Unbilled Dues | | 65.03 | | 50.31 |
| | | | **739.25** | | **470.19** |

11.1 Due to short-term nature of current receivables, their carrying amount is assumed to be same as their fair value.

11.2 Trade receivables include amount of Rs. 54.48 lakhs (Previous year: Rs. 54.48 lakhs) due from NCTI, JV Company (under liquidation) out of which loss allowance of Rs. 23.57 lakhs is created.

11.3 Trade receivables ageing schedule is diclosed in Note No. 35.13

(Rs. in Lakhs)

| 12 | CASH & CASH EQUIVALENTS | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|---|
| | Balances with Banks: | | |
| | -Savings accounts | 2,672.14 | 3,784.22 |
| | -Current accounts (Refer Note 12.1) | - | 12.53 |
| | Cash on hand | 0.06 | 0.10 |
| | Postage Imprest | 0.57 | 0.57 |
| | | **2,672.77** | **3,797.42** |

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

12.1 Bank balance in current accounts includes nil amount (Previous year: Rs. 9.84 lakhs) held in bank accounts maintained in foreign countries.

12.2 There are no restrictions with regard to cash and cash equivalents as at the end of the reporting period.

(Rs. in Lakhs)

| 13 | BANK BALANCES OTHER THAN CASH & CASH EQUIVALENTS | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|---|
| | Term deposits with banks having original maturity of more than 3 months but less than 12 months | 28,242.00 | 25,068.00 |
| | Debt Service Reserve Account (DSRA)- (Refer Note 13.1) | 697.06 | 631.42 |
| | Deposit for hedging foreign currency risks | 2.00 | - |
| | | **28,941.06** | **25,699.42** |

13.1 Debt Service Reserve Account (DSRA) is maintained for the loan raised from SBI for financing the IECC project to cover the interest servicing for one quarter.

13.2 Exposure to foreign currency risks of the company may be referred at Note 35.19(II)(a)(i)

(Rs. in Lakhs)

| 14 | LOANS | | As at March 31, 2022 | | As at March 31, 2021 |
|---|---|---|---|---|---|
| | Loan/ Advances to Employees (including accrued interest) (Refer Note 14.1) | | | | |
| | Loan Receivables considered good – Secured | | 43.84 | | 68.02 |
| | Loan Receivables considered good – Unsecured | 140.50 | | 194.11 | |
| | Loan Receivables – which have significant increase in credit risk | 90.37 | | 90.70 | |
| | Loan Receivables – credit impaired | - | | - | |
| | (Less): loss allowance | (90.37) | 140.50 | (90.70) | 194.11 |
| | Advance to ITPO ECPF Trust (unsecured, considered good) | | - | | 185.35 |
| | | | **184.34** | | **447.48** |
| 14.1 | Loans to Employees includes dues from: | | | | |
| | Directors / Ex-Directors | | - | | - |
| | Officers in the nature of loan | | 2.45 | | 2.26 |

(Rs. in Lakhs)

| 15 | OTHER FINANCIAL ASSETS (Unsecured, considered good unless stated otherwise) | | As at March 31, 2022 | | As at March 31, 2021 |
|---|---|---|---|---|---|
| | Grant recoverable from Government of India | | | | |
| | Considered good | 129.91 | | 345.33 | |
| | Considered doubtful | 470.95 | | 358.95 | |
| | (Less): Provision for doubtful recovery of Grant | (470.95) | 129.91 | (358.95) | 345.33 |
| | Inter-corporate deposits (placed with NBFCs) | | 3,000.00 | | - |
| | Due from Indian Missions Abroad | | - | | 7.89 |
| | Interest accrued on Saving bank accounts & term deposits | | 519.69 | | 494.07 |
| | Due from parties in respect of deposit works: | | | | |
| | Considered doubtful | 70.15 | | 70.15 | |
| | (Less): Provision for doubtful dues | (70.15) | - | (70.15) | - |
| | | | **3,649.60** | | **847.29** |

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

(Rs. in Lakhs)

| 16 | **OTHER CURRENT ASSETS** **(Unsecured, considered good unless stated otherwise)** | | **As at March 31, 2022** | | **As at March 31, 2021** |
|---|---|---|---|---|---|
| | **Advances to vendors** | | | | |
| | Considered good | 297.31 | | 302.38 | |
| | Considered doubtful (Refer Note 16.1) | 106.97 | | 157.39 | |
| | (Less): Provision for doubtful advances | (106.97) | 297.31 | (157.39) | 302.38 |
| | **Sundry Deposits** | | | | |
| | Considered good | - | | 0.25 | |
| | Considered doubtful | 4.65 | | 4.34 | |
| | (Less): Provision for doubtful deposits | (4.65) | - | (4.34) | 0.25 |
| | **Others** | | | | |
| | Deposit under protest with PF Authority [Refer Note 35.1(a)] | 100.00 | | 100.00 | |
| | GST Credit [Refer Note 35.8(c)] | 1,733.34 | | 1,091.46 | |
| | Prepaid expenses | 446.85 | | 376.91 | |
| | Deferred Payroll expense | 9.76 | 2,289.95 | 11.39 | 1,579.76 |
| | | | **2,587.26** | | **1,882.39** |

16.1 Advances to vendors include amount of Rs. 40.02 lakhs (Previous year: Rs. 40.27 lakhs) due from NCTI, JV Company (under liquidation) out of which Rs. 1.10 lakhs are doubtful for recovery.

(Rs. in Lakhs)

| 17 | **EQUITY SHARE CAPITAL** | **As at March 31, 2022** | **As at March 31, 2021** |
|---|---|---|---|
| | **Authorized** | | |
| | 50,000 (50,000) equity shares of Rs. 100/- each | 50.00 | 50.00 |
| | **Issued, Subscribed & Fully paid-up** | | |
| | 25,000 (25,000) equity shares of Rs. 100/- each fully paid up | 25.00 | 25.00 |
| | | **25.00** | **25.00** |

17.1 **Reconciliation of shares outstanding**

| | **As at March 31, 2022** | | **As at March 31, 2021** | |
|---|---|---|---|---|
| | No. of shares | (Rs. in lakhs) | No. of shares | (Rs. in lakhs) |
| At the beginning of the year | 25,000 | 25.00 | 25,000 | 25.00 |
| Add: Changes in Equity Share Capital due to prior period errors | | | | |
| Restated balance at the beginning of the year | 25,000 | 25.00 | 25,000 | 25.00 |
| Add: Issued during the year | - | - | - | - |
| At the end of the year | **25,000.00** | **25.00** | **25,000.00** | **25.00** |

17.2 **Terms / Rights attached to Equity Shares**

The Company has only one class of equity shares having a par value of Rs.100/- per share. Each holder of equity share is entitled to one vote per share. Since the Company is incorporated u/s 25 of Companies Act, 1956 (now Section 8 of Companies Act, 2013), it is prohibited from distribution of surplus, if any, or other income of the Company to its members by way of dividend, bonus shares or otherwise.

In the event of winding up or dissolution of the Company, if there remains, after the satisfaction of all the debts and liabilities and return of original capital to the Government, any property whatsoever, the same shall not be distributed amongst the members of the Company but shall be given or transferred to such other Company having objects similar to the objects of the Company to be determined by the members of the Company at or before the time of dissolution or in default thereof, by the High Court of Judicature that has or may acquire jurisdiction in the matter.

17.3 **Details of Shareholder holding more than 5% shares**

| | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | No. of shares | % age | No. of shares | % age |
| **Equity Shares of Rs. 100/- each fully paid** | | | | |
| Government of India (2 shares held by nominee shareholders) | 25,000 | 100 | 25,000 | 100 |

17.4 Promoter's Shareholding is disclosed in Note No. 35.15

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

(Rs. in Lakhs)

| | | | | | |
|---|---|---|---|---|---|
| **18** | **OTHER EQUITY** | | **As at March 31, 2022** | | **As at March 31, 2021** |
| | **Capital Reserves** | | | | |
| | Promoter's Contribution for investment in KTPO | | 1,020.00 | | 1,020.00 |
| | Others (Refer Note 18.1) | | 18.10 | | 18.10 |
| | **Retained Earnings** | | | | |
| | As per the last account | 2,02,791.56 | | 2,11,211.52 | |
| | Add: Surplus/ (Deficit) for the year | (5,282.76) | | (8,392.93) | |
| | Add: Remeasurement gain/(loss) of defined benefit plans | (346.86) | | (21.99) | |
| | Add: Prior period Adjustments (Net) | - | 1,97,161.94 | (5.04) | 2,02,791.56 |
| | | | **1,98,200.04** | | **2,03,829.66** |

18.1 Represents excess of assets over liabilities of organisations merged with the Company in earlier years.

(Rs. in Lakhs)

| | | | |
|---|---|---|---|
| **19** | **NON- CURRENT BORROWINGS** | **As at March 31, 2022** | **As at March 31, 2021** |
| | Borrowings from SBI for IECC | 39,957.25 | 32,967.68 |
| | | **39,957.25** | **32,967.68** |

19.1 Term loan of Rs. 1,50,000 lakhs was sanctioned by State Bank of India (SBI) to part finance the capital expenditure for redevelopment of ITPO complex into International Exhibition cum Convention Centre (IECC) at Pragati Maidan, New Delhi. The term loan sanction carries interest rate of 1-year MCLR, to be reset at annual intervals and is payable at monthly intervals, presently 7.00% (previous year-7.40%) and is paid at monthly interval. The repayment of principal amount of term loan, in 56 quarterly installments after the moratorium period, started from January 2022 amounting to Rs 658.75 lakhs per quarter.

The term loan is secured by an irrevocable guarantee of Government of India (GoI) towards principal and interest, restricted to the maximum of 80% of the loan facility or Rs. 1,05,400 lakhs, whichever is less and is effective from 15th March 2019. Further, the Company in accordance with sanction stipulations has also maintained a DSR account with SBI by way of fixed deposits to cover the interest servicing for one quarter for which fixed deposits of Rs. 697.06 lakhs (previous year: Rs. 631.42 lakhs) were held as at 31st March, 2022 and shown in Note no 13. The repayment of principal amount is fixed on total term loan of Rs 1,05,400 lakhs.

Loan amount of Rs. 42,592.25 lakhs (previous year: Rs. 33,626.43 lakhs) is outstanding against the Company. Pending capitalisation of IECC in the books of accounts , the cumulative interest on term loan of Rs. 5,341.96 lakhs (previous year: Rs. 2,830.69 lakhs), cumulated interest income of Rs. 47.98 lakhs (previous year: Rs. 23.51 lakhs) earned on DSRA and cumulated guarantee fees of Rs. 1,676.09 lakhs (previous year: Rs. 1,337.09 lakhs) to GOI towards its issue have been included in Capital Work-in-progress as on 31st March, 2022 in Note no 3

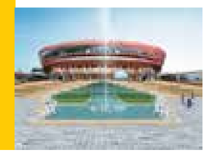
| | | | |
|---|---|---|---|
| **20** | **NON- CURRENT PROVISIONS** | **As at March 31, 2022** | **As at March 31, 2021** |
| | Provision for employee benefits | | |
| | Leave Encashment (Refer Note 35.12)(II) | 2,053.43 | 1,880.63 |
| | | **2,053.43** | **1,880.63** |

(Rs. in Lakhs)

| | | | |
|---|---|---|---|
| **21** | **OTHER NON-CURRENT LIABILITIES** | **As at March 31, 2022** | **As at March 31, 2021** |
| | Advance received from customers | 552.25 | 673.08 |
| | | **552.25** | **673.08** |

(Rs. in Lakhs)

| | | | |
|---|---|---|---|
| **22** | **CURRENT BORROWINGS** | **As at March 31, 2022** | **As at March 31, 2021** |
| | Borrowings from SBI for IECC (Refer Note 19.1) | 2,635.00 | 658.75 |
| | | **2,635.00** | **658.75** |



NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

(Rs. in Lakhs)

| 23 | TRADE PAYABLES | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|---|
| | Total outstanding dues of Micro and Small Enterprises (Refer Note 23.3) | 6.12 | 19.30 |
| | Total outstanding dues of creditors other than Micro and Small Enterprises (Refer Note 23.2) | 667.19 | 842.59 |
| | | **673.31** | **861.89** |

23.1 Trade Payables Ageing Schedule at Note 35.14

23.2 Trade Payables include amount of Rs. 12.83 lakhs (Previous year: Rs. 14.20 lakhs) due to NCTI, JV Company (under liquidation).

23.3 Information in respect of micro, small and medium enterprises as required by Micro, Small and Medium Enterprises Development Act, 2006:

(Rs. in Lakhs)

| | | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|---|
| a | Amount remaining unpaid to any supplier at the end of the year | | |
| | Principal amount | 6.12 | 19.30 |
| | Interest due thereon | - | - |
| b | Amount of interest paid in terms of Section 16 of the MSMED Act along-with the amount paid to the suppliers beyond the appointed day. | - | - |
| c | Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act. | - | - |
| d | Amount of interest accrued and remaining unpaid | - | - |
| e | Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowances as a deductible expenditure under Section 23 of MSMED Act | - | - |

(Rs. in Lakhs)

| 24 | OTHER FINANCIAL LIABILITIES | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|---|
| | Employees' benefits payable | 149.70 | 106.71 |
| | Security deposits | 532.59 | 467.76 |
| | 'Refund due to customers/ others (Refer note 24.1) | 5,679.60 | 3,389.55 |
| | Grant refundable to DoC | - | 1,500.00 |
| | Interest accrued on borrowings | 247.89 | 210.08 |
| | Other payables | 127.75 | 416.88 |
| | | **6,737.53** | **6,090.98** |

24.1 Includes refund on account of bid security as order of Hon'ble High Court [Refer note 35.8(c)]

(Rs. in Lakhs)

| 25 | OTHER CURRENT LIABILITIES | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|---|
| | Advance received from customers | 5,100.15 | 2,391.72 |
| | Statutory Liabilities | 597.38 | 133.10 |
| | | **5,697.53** | **2,524.82** |

(Rs. in Lakhs)

| 26 | CURRENT PROVISIONS | | As at March 31, 2022 | | As at March 31, 2021 |
|---|---|---|---|---|---|
| | **Provision for Employees' Benefits:** | | | | |
| | -Gratuity [Refer Note 35.12)(II)] | 742.03 | | 206.74 | |
| | -Leave Encashment [Refer Note 35.12)(II)] | 370.34 | | 412.27 | |
| | -Pension Fund | 4.28 | | 4.28 | |
| | -Pay revision | - | 1,116.65 | 162.17 | 785.46 |
| | Provision for diminution in investment of PF Trust | | 54.22 | | 61.72 |
| | Provision for Corporate Social Responsibility (CSR) | | 733.34 | | 389.62 |
| | | | **1,904.21** | | **1,236.80** |

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

(Rs. in Lakhs)

| Particulars | As at April 1 | Amount utilised/ reversed during the year | Provision made during the year | As at March 31 |
|---|---|---|---|---|
| **Movement of Provisions (2021-22):** | | | | |
| Pension Fund | 4.28 | - | - | 4.28 |
| Pay revision | 162.17 | (162.17) | - | - |
| Diminution in investment of PF Trust | 61.72 | (7.50) | - | 54.22 |
| Corporate Social Responsibility (CSR) | 389.62 | (27.65) | 371.37 | 733.34 |
| **Movement of Provisions (2020-21):** | | | | |
| Pension Fund | 4.28 | - | - | 4.28 |
| Pay revision | 162.17 | - | - | 162.17 |
| Diminution in investment of PF Trust | - | - | 61.72 | 61.72 |
| Corporate Social Responsibility (CSR) | 395.28 | (5.66) | - | 389.62 |

(Rs. in lakhs)

| 27 REVENUE FROM OPERATIONS | | Year ended 31.03.2022 | | Year ended 31.03.2021 |
|---|---|---|---|---|
| **Sale of Services** | | | | |
| Space Rent | 2,501.46 | | 457.22 | |
| Government grant- Revenue | (20.13) | | - | |
| Receipts towards electricity & water charges | 120.06 | | 63.41 | |
| Receipts towards other services | 35.66 | | 0.78 | |
| Hoardings | 19.20 | | 1.85 | |
| Branding/ Sponsorship | 52.04 | 2,708.29 | - | 523.26 |
| **Other Operating Revenue** | | | | |
| Sale of Entry Tickets / Seasonal Passes | 341.36 | | (4.39) | |
| Subscriptions | 2.37 | | 2.80 | |
| Advertisement- Publications | 2.02 | | (11.72) | |
| Sale of Publications | 0.19 | 345.94 | - | (13.31) |
| | | **3,054.23** | | **509.95** |

(Rs. in Lakhs)

| 28 OTHER INCOME | | Year ended 31.03.2022 | | Year ended 31.03.2021 |
|---|---|---|---|---|
| **Interest Income from** | | | | |
| -Term deposits & Saving bank accounts | 1,150.29 | | 1,367.77 | |
| -Inter- corporate deposits | 56.92 | | 480.96 | |
| -Loan to employees | 23.24 | | 42.57 | |
| -Income Tax refund | 3,145.38 | | 2,349.38 | |
| -Others | 6.17 | 4,382.00 | 16.55 | 4,257.23 |
| Dividend from Mutual Funds | | 6.04 | | 3.18 |
| Rent | | 79.76 | | 64.09 |
| Difference in Exchange (net) | | - | | 3.48 |
| **Other non-operating income** | | | | |
| Profit on Sale of Property, Plant & Equipment (Net) | 7.92 | | - | |
| Liabilities/Provisions no longer required, written back | 270.46 | | 111.09 | |
| Penalties from customers (Refer Note 28.1) | 86.20 | | 7.20 | |
| Fair value gain on mutual funds | 11.41 | | 32.64 | |
| Miscellaneous Income | 19.27 | 395.26 | 41.18 | 192.11 |
| | | **4,863.06** | | **4,520.09** |

28.1 Penalty of Rs. 764.93 lakhs, cumulative up to 31.03.2022 (previous year: Rs. 762.25 lakhs), due to cancellation of events by the third party organisers has not been recognized as income and the same shall be accounted for in accordance with the Ind AS-115 as and when the amount is recovered/ adjusted.



NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

(Rs. in Lakhs)

| 29 | EMPLOYEES' BENEFITS EXPENSE | | Year ended 31.03.2022 | | Year ended 31.03.2021 |
|---|---|---|---|---|---|
| | **Salaries & Wages** | | | | |
| | Salaries, Wages & Allowances | 5,255.68 | | 5,645.08 | |
| | Ex-gratia payments under VRS scheme | 278.51 | | 1,281.43 | |
| | Other Perks & Allowances | 712.44 | 6,246.63 | 1,260.45 | 8,186.96 |
| | **Contribution to Provident & Other Funds** | | | | |
| | Contribution to Provident Fund [Refer Note 35.12(I)] | 526.42 | | 564.72 | |
| | Contribution to Pension Fund [Refer Note 35.12(I)] | 129.00 | | 321.96 | |
| | Gratuity [Refer Note 35.12(II)] | 206.24 | | 250.29 | |
| | Leave Encashment [Refer Note 35.12(II)] | 467.81 | | 456.39 | |
| | Contribution to Other Funds | 6.60 | 1,336.07 | 7.64 | 1,601.00 |
| | **Staff Welfare expenses** | | | | |
| | Medical expenses | 319.51 | | 349.43 | |
| | Compensation for deceased employees | 62.00 | | 160.91 | |
| | Other Staff Welfare Expenses | 56.37 | 437.88 | 49.56 | 559.90 |
| | | | **8,020.58** | | **10,347.86** |

(Rs. in Lakhs)

| 30 | DEPRECIATION AND AMORTISATION EXPENSE | Year ended 31.03.2022 | Year ended 31.03.2021 |
|---|---|---|---|
| | Depreciation on Property, Plant & Equipment | 124.74 | 133.85 |
| | Depreciation on Right-of-Use Assets | 7.23 | 7.23 |
| | Amortization of Other Intangible Assets | 11.23 | 10.86 |
| | | **143.20** | **151.94** |

(Rs. in Lakhs)

| 31 | FINANCE COST | Year ended 31.03.2022 | Year ended 31.03.2021 |
|---|---|---|---|
| | Interest On Lease | 23.47 | 23.52 |
| | Bank Charges | 0.33 | 0.57 |
| | Other interest cost | 118.87 | 10.18 |
| | | **142.67** | **34.27** |

(Rs. in Lakhs)

| 32 | OTHER EXPENSES | | Year ended 31.03.2022 | | Year ended 31.03.2021 |
|---|---|---|---|---|---|
| | **Expenses related to sale of services** | | | | |
| | Participation Charges | | 167.39 | | 14.85 |
| | Construction & Interior Decoration | | 105.45 | | 105.48 |
| | Publicity | | 86.59 | | 1.29 |
| | Cultural Programme & Fashion Shows | | 0.06 | | |
| | Interpreter charges | | 1.04 | | - |
| | Travelling & Conveyance | | 26.79 | | 0.51 |
| | **Other Operating Expenses** | | | | |
| | Entertainment | | 6.34 | | 3.76 |
| | Commission | | 3.26 | | - |
| | Electricity Charges | | 265.72 | | 289.38 |
| | Water Charges | | 8.98 | | 14.21 |
| | Maintenance of Pragati Maidan | | | | |
| | -Civil | 177.51 | | 98.03 | |
| | -Electrical | 264.28 | | 466.60 | |
| | -Horticulture | 10.59 | | 11.71 | |
| | -Conservancy Arrangements | 122.70 | 575.08 | 117.79 | 694.13 |

| | | | | |
|---|---|---|---|---|
| **Other Administrative Expenses** | | | | |
| Repairs, Renewals & Maintenance | | 135.49 | | 160.31 |
| Security Expenses | | 615.33 | | 523.22 |
| Postage, Telegrams & Telephones | | 21.89 | | 23.49 |
| Insurance | | 9.14 | | 2.19 |
| Legal & Professional Charges | | 87.23 | | 133.22 |
| Seminar & Training | | 0.05 | | 1.17 |
| Books & Periodicals | | 1.20 | | 0.74 |
| Printing & Stationery | | 36.56 | | 26.41 |
| Advertisement Expenses | | 2.37 | | 0.22 |
| Corporate Social Responsibility Expenses (Refer Note 35.18) | | 371.37 | | - |
| Difference in Exchange (Net) | | 1.87 | | |
| Rent | | 1.33 | | - |
| Rates & Taxes | 354.45 | | 344.44 | |
| (Less): Recoveries | - | 354.45 | (0.87) | 343.57 |
| Vehicle running & maintenance | 19.31 | | 16.36 | |
| (Less): Recoveries | (0.08) | 19.23 | (0.07) | 16.29 |
| Provision for dimunition in investment of PF Trust | | - | | 61.72 |
| Provision for impairment loss on Investments in JV | | 81.88 | | 1.68 |
| Loss on Sale of Property, Plant & Equipment (Net) | | - | | 11.11 |
| Provisions/ Write Offs | | 135.58 | | 404.50 |
| Other Miscellaneous Expenses | | 63.51 | | 43.55 |
| Sitting Fees to Directors | | 4.00 | | 2.40 |
| Auditor's Remuneration | | | | |
| -Audit Fee | 8.00 | | 8.00 | |
| -Tax Audit Fee | 1.50 | 9.50 | 1.50 | 9.50 |
| | | **3,198.68** | | **2,888.90** |

(Rs. in Lakhs)

| 33 | EXCEPTIONAL ITEMS | Year ended 31.03.2022 | Year ended 31.03.2021 |
|---|---|---|---|
| | Refund of forfeited bid deposit [Refer Note no.35.8(c)] | 1,694.92 | - |
| | | **1,694.92** | **-** |

| 34 | EARNINGS PER SHARE | | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|---|---|
| | Surplus/ (Deficit) for the year | (Rs. in lakhs) | (5,282.76) | (8,392.93) |
| | Equity shares | (Nos.) | 25,000 | 25,000 |
| | Nominal value per share | (Rs.) | 100 | 100 |
| | Earnings per share (Basic/ Diluted) | (Rs. in lakhs) | (0.21) | (0.34) |

**35 OTHER NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022**

(Rs. in Lakhs)

| 35.1 | CONTINGENT LIABILITIES AND COMMITMENTS | | As at March 31, 2022 | | As at March 31, 2021 |
|---|---|---|---|---|---|
| (a) | **Contingent Liabilities** | | | | |
| | Claims against the Company not acknowledged as debts - Disputed liability not adjusted as expenses in the accounts for various years being in appeal towards: | | | | |
| | Income Tax | 184.05 | | 188.39 | |
| | Service Tax [Refer note 35.9(b)] | 370.13 | | 370.13 | |
| | Employee Provident Fund (amount deposited Rs. 100.00 lakhs, previous year: Rs. 100 lakhs) | 1,695.57 | 2,249.75 | 1,695.57 | 2,254.09 |
| | Employee related matters [Refer Note 35.3(A)] | | 3,333.13 | | 3,335.18 |
| | 'Others - for which the company is contingently liable [Refer Note 35.8(c)] | | 683.24 | | 2,642.24 |
| | | | **6,266.12** | | **8,231.51** |

The Company is contesting the above demands/ claims and the management including its advisors are of the view that these demands may not be sustainable at the appellate level. The management believes that the ultimate outcome of these proceedings will not have any material adverse effect on the Company's financial position and results of operations. The Company does not expect any reimbursement in respect of above contingent liabilities and it is not practicable to estimate the timing of cash outflows, if any, in respect of these matters, pending the decisions of the competent authorities.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

| | | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|---|
| (b) | **Capital Commitments** | | |
| | Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)- (Refer Note 35.8) | 56,836.92 | 68,370.91 |
| | Equity Contribution in Subsidiary/ Associate Company | 1,000.00 | 1,000.00 |

**35.2 National Science Centre (NSC) and National Handicrafts & Handlooms Museum (Crafts Museum)**

Land and Development Office (L&DO), Ministry of Urban Development has leased out 123.51 acres of land for Pragati Maidan Complex to the Company on perpetual lease of 99 years w.e.f. 1976 on 7th March 2011, out of which the combined area of 6.9850 acres is under the occupation of two Government Departments i.e. NSC and Crafts Museum, as on 31st March 2022, without a sublease agreement.

The expenditure incurred on the annual ground rent, paid to L&DO, including the area under possession of both the government departments, is borne by the Company as the lease deed for the entire area is in the name of the Company. The municipal taxes in respect of areas under their possession, as per past practice, are being paid by these departments directly to the Revenue authority. However, the license fee for land amounting to Rs. 634.71 lakhs [cumulative rent of Rs. 12,544.21 lakhs (Previous year Rs. 11922.31 lakhs)] is not being paid by both the departments and is being contested by them.

(a) In respect of dues from NSC, the Department of Commerce, the administrative ministry of the company has forwarded the matter for invocation of the Administrative Mechanism for Resolution of CPSE's Disputes (AMRCD) on 02.07.2021 for resolution of the dispute and a Committee of Secretaries has been constituted for the same.

(b) In respect of dues from NHHM, during the year, mutual exchange of land area measuring 0.2773 acres (1122.70 sq mtrs(net)) was undertaken for interalia faciltating the IECC Project, as per approval of the competent authority in the Government of India. However, further process of legal documentation for the land will be undertaken subsequently with L & DO.

In view of uncertainty in the realization of dues as above, the rental income from both the departments is not recognized in the books since earlier years in accordance with Ind AS 115.

**35.3 A. Performance Related Pay (PRP)/ Ex-gratia**

The provision of Rs. 3264 lakhs towards Performance Related Pay (PRP)/ Ex-gratia was made by the Company during the period 01.04.2007 to 31.03.2017, in accordance with the guidelines of Department of Public Enterprises (DPE) on revision of pay scales as per 2nd Pay Revision Committee (2nd PRC). Pending approval of PRP/ Ex-gratia by the competent authority, ad-hoc payments amounting to Rs. 871.10 lakhs (Previous Year: Rs. 1020.97 lakhs), net of recoveries from the employees retired/ taken VRS, were released to the employees with the approval of the Board of Directors (BOD) of the Company as 'Interest free advances' against the undertakings obtained from the employees to refund/ adjust the advance as per the decision of the competent authority.

The BOD in its 205th meeting held on 29.08.2018 had noted that though as per DPE guidelines, ITPO could grant PRP/ Ex-gratia but it is not mandatory for it to do so since the guidelines of DPE only provide the guidance but they do not create any obligation for the Company and all financial decisions including PRP/ Ex-gratia have to be considered by the BOD and approved by the Administrative Ministry, wherever required. This was also clarified by the Department of Commerce (DoC) in Sep.'13 and reiterated in Oct.'17 that ITPO is ineligible for PRP as per recommendation of 2nd PRC.

However, in case of 3rd PRC, the decision on PRP/ Ex-gratia is dependent upon it's financial position and other factors. Therefore, due to huge financial outgo committed by the Company for ongoing IECC project and inadequate surplus generated from core activities, the BOD during 2017-18 and 2018-19 decided not to provide for PRP/ Ex-gratia/ Interest free advance for both these years.

For the year 2019-20, the BOD in its 213th meeting held on 18th June 2020 decided not to make provision towards PRP/ ad-hoc advance, considering the extreme financial stress on the Company due to ongoing IECC project, the adverse business outlook projected during next few years due to outbreak of Covid-19 pandemic and also to write back the provision of Rs. 3264 lakhs towards PRP/ Ex Gratia already made during the earlier years for 2nd pay revision period, which is not payable as per the clarification of DoC. The BoD in 214th meeting on 22nd September 2020 decided that the recoveries of ad-hoc advances from the employees be effected in monthly installments w.e.f. April '21 and be completed in three years or at the time of retirement/ VRS, whichever is earlier, to improve the availability of funds in the company for the project.

The ITPO Employees Union has filed an application for stay of recoveries in the Central Administrative Tribunal, which is pending for disposal. However, as per legal advice/ status of case, the recoveries in monthly installments from employees in service are yet to be initiated and the recoveries from retiring employees are being made at the time of their VRS/ retirements, as per earlier approvals.

**B. Other Pay & Allowances**

Considering the requirement of funds for the IECC Project, the Perks & Allowances and other benefits of the employees were frozen at various levels during the year. The ITPO Employees Union has filed an application before the Dy Chief Labour Commissioner New Delhi against the said measures for restoration of the benefits. Pending disposal of the application, no provision for the same has been made in the accounts. Pending disposal of the appeal, the company is contingently liable towards these benefits. However, the amount is not quantified as the extent of the same is dependent on the outcome of the matter.

**35.4** In the opinion of the management, the value of assets other than Property, Plant and Equipment and Intangible assets, on realization in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet.

**35.5 INCOME TAX MATTERS**

**A. Exemption of Income**

The Director General of Income Tax (Exemptions) had withdrawn the Income Tax exemption granted to ITPO under section 10(23C)(iv) of the Income Tax Act, 1961 since Assessment Year 2009-10 and onwards as per the amended proviso of section 2(15) of the Income Tax Act, 1961 effective from 1.4.2008.

The Company had contested the withdrawal of exemption before the Hon'ble High Court of Delhi and got a favourable judgment on 22.01.2015. Accordingly the Chief Commissioner of Income Tax (Exemptions) vide order dated 02.03.2015 restored the aforesaid Income-tax exemption of the Company w.e.f. Assessment Year 2009-10.

The Income Tax Department filed a Special Leave Petition SLP (C) no. 9284 of 2017 before the Hon'ble Supreme Court against the order of the Hon'ble High Court of Delhi. The prayer of the Income Tax department for interim relief/ stay of operation of the judgment passed by the Hon'ble High Court of Delhi was not accepted by the Hon'ble Supreme Court and the matter has been tagged with other SLPs pending before Hon'ble Supreme Court on similar matters. However, regular hearings in the matter of the company are yet to commence.

Even though the matter of exemption is pending before the Hon'ble Supreme Court, the management and it's advisors are of the view that since the income-tax exemption has been restored by the Hon'ble High Court of Delhi, no provision for income-tax, interest and penalties is considered necessary from Assessment year 2009-10 onwards.

**B. Income Tax recoverable**

Subsequent to the restoration of the exemption by the Hon'ble High Court, the year-wise position in respect of demands, refunds received and tax recoverable is as under:

(Rs. in Lakhs)

| | Assessment Years | Deposit/ TDS recoverable as on 31.3.2021 | TDS additions/ adjustments during 2021-22 (net) | Refund received during 2021-22 | Deposit/ TDS recoverable as on 31.3.2022 |
|---|---|---|---|---|---|
| a | Various Assessment years (doubtful for recovery) | 426.00 | - | - | 426.00 |
| b | 2009-10 to 2011-12: | | | | |
| | - deposit under protest | 1,319.00 | - | 1,319.00 | - |
| | - adjusted from refunds for various AYs | 6,464.64 | - | 6,421.09 | 43.55 |
| c | 2012-13 to 2013-14 (refund received in earlier years) | - | - | - | - |
| d | 2014-15 to 2021-22 # | 2,933.71 | 165.97 | 1,489.36 | 1,610.31 |
| e | 2022-23 | | 720.69 | | 720.69 |
| | **Total** | **11,143.34** | **886.66** | **9,229.45** | **2,800.55** |

# TDS additions/ adjustments recroded AY 2020-21 & 2021-22 & accrued interest recorded as per refund order for AY 2017-18.

The company is pursuing the matter with the income tax department for obtaining the refund of balance amounts along with interest for the aforesaid years and is confident of their realisation unless stated otherwise.

**35.6 DEFERRED TAX ASSET/ LIABILITY**

In view of the income of ITPO being held to be exempt under section 10(23C)(iv) of the Income Tax Act, 1961 as per the order of the Hon'ble High Court of Delhi and in view of the management and it's advisors, the SLP filed by Income Tax Department is likely to be in company's favour. Hence, the deferred tax assets/ liabilities have not been recognized. Further, as per amendments in the Income Tax Act in Budget 2022, the Company has also been granted approval as an exempted entity under section 10(23C)(iv) of the Income Tax Act 1961 for a period of 5 years w.e.f. AY 2022-23.

**35.7 CONFIRMATION OF BALANCES**

Balances appearing under Trade Receivables, Loans & Advances, Trade Payables and other parties etc. are subject to reconciliation/ confirmation. The impact, if any, subsequent to the confirmation/ reconciliation will be taken in the year of confirmation/ reconciliation, which in view of management will not be material.



**35.8 INTERNATIONAL EXHIBITION CUM CONVENTION CENTRE (IECC) PROJECT**

(a) International Exhibition cum Convention Centre (IECC) project for redevelopment of Pragati Maidan complex was approved by the Government of India (GOI) in the Cabinet Committee of Economic Affairs (CCEA) meeting held on 24.1.2017 at a cost of Rs. 2,25,400 lakhs (since revised to Rs. 2,69,851 lakhs). The project, as per approval, is to be funded from Company's resources of Rs. 1,20,000 lakhs and balance by term loan from bank, secured by Guarantee from the Government of India.

(b) The Cabinet has further approved on 13.6.2018, the waiver of demand of Rs. 9,663.42 lakhs raised by L&DO on 21.4.2017 in connection with IECC project and also the monetization of 3.70 acres of land at Pragati Maidan complex for construction and operation of a hotel by a third party including private sector meant to finance the IECC project. Pending monetisation of land, the BoD has decided to deploy additional Rs. 40,000 lakhs from its internal resources and accordingly the loan from bank will stand reduced to that extent.

(c) During the year 2018-19, Request for Proposal (RFP) for selection of Developer cum Operator of 5-star hotel at Pragati Maidan was floated for which 2 bidders were found technically qualified. However, due to non-participation of one bidder in further bidding process, the said bid process was cancelled due to lack of competition and the bid security of Rs. 1,694.92 lakhs (net) after deposit GST of Rs. 305.08 lakhs from Rs. 2,000 lakhs received from the said bidder who did not participate, was forfeited as per terms and conditions of RFP, and was considered as "Exceptional Income" in the said year.
The bidder filed a writ petition against forfeiture of his bid security in the Hon'ble Delhi High Court in Aug'2019 which was contested by the Company. The Hon'ble Court has directed for payment of Rs 2,000.00 lakhs in favour of the bidder vide judgement dated 31.3.2022. The company has accordingly made payment of Rs 1694.92 lakhs (net of GST) to the bidder on 6.5.2022 and considered it as exceptional expense for the year. As the bidder informed that the input credit of the GST of Rs 305.08 lakhs was not claimed, an application has been filed by the Company with the Principal Commissioner, GST on 4.8.2022 for obtaining the refund from the GST Department . The amount has been recorded as recoverable from the GST Dept. in Note no. 16 and payable to the bidder in Note no. 24. The same will be refunded to the bidder after receiving refund from the Department.

(d) The Cabinet in its meeting held on 4th December, 2019 had approved the monetization of 3.70 acres of land at Pragati Maidan on a 99-year fixed lease basis in favour of a Special Purpose Vehicle (SPV) formed as a wholly owned subsidiary of ITPO, for the development and operation of a 5-star hotel at Pragati Maidan. A Request for Proposal (RFP) for selection of a suitable developer and operator to construct, run and manage the said hotel through a competitive bidding process, was issued on 28.02.2020 with the extended due date of 31.08.2020 for submission of online bids but no bid was received due to situation arising out of Covid-19. The Company will explore the options on this matter, as and when the situation improves.

(e) Term loan of Rs. 1,50,000 lakhs was sanctioned by State Bank of India (SBI) on 28.05.2018. Guarantee for Rs. 1,05,400 lakhs has been issued by the Government of India against the said term loan on 15.03.2019 on which Guarantee fee of Rs. 2104.49 lakhs (previous year Rs. 1676.09 lakhs) has been paid as per the terms of approval.

(f) NBCC, a Public Sector Undertaking, has been appointed as the Project Management Consultant (PMC) for the IECC project and an agreement has been entered into with the NBCC in 2017. As per the agreement, the advances are accounted for on the basis of Utilisation Certificates submitted by NBCC. The balances in the company's books stand reconciled with NBCC as on 31st March 2022. Resolution of the individual items in the reconciliation is underway.

(g) Special Advance of Rs 14,950 lakhs (previous year Rs 6,050 lakhs) at an interest rate of 10.5% p.a. was released to the contractor, as per the approvals, through NBCC by Company to mitigate the hardship to the contractor due to COVID-19 pandemic against the bank guarantee of Rs 14,950 lakhs (previous year Rs. 10,000 lakhs ) from the contractor to NBCC and Corporate Guarantee of equivalent amount given by NBCC to the company.

(h) The work done for IECC project amounting to Rs. 1,92,878.32 lakhs up to 31.03.2022 (Rs. 1,82,577.35 lakhs up to 31.03.2021), after capitalising net income of Rs 4,537.94 lakhs earned from events held in halls taken on trial basis, has been shown as Capital Work-in-Progress in Note. 3. In addition, advance of Rs. 20,135.76 lakhs (previous year: Rs. 17,869.90 lakhs) paid to various Departments/ agencies for the project has been shown as Capital Advances in Note. 9. Consequently, against the approved cost of Rs 2,69,851 lakhs, the balance amount of Rs. 56,836.92 lakhs is shown as Capital Commitments for the project in Note No. 35.1.

**35.9 SERVICE TAX MATTERS**

a) Service Tax demand of Rs. 1,087.95 lakhs for the period 2006-07 to 2009-10 comprising service tax of Rs. 1,064.27 lakhs and interest of Rs. 23.68 lakhs was raised on the Company by Commissioner of Service Tax in earlier years. The said demand was contested and the Commissioner of Customs and Central Excise vide order dated 22.01.2015 revised the demand to Rs. 410.41 lakhs and restricted penalty to Rs. 410.41 lakhs and Rs. 0.10 lakh & interest till the date of payment with the condition that penalty amount would stand waived by 75% in case payment is made within 30 days.

The Company deposited the Service tax of Rs. 410.41 lakhs, Penalty of Rs. 102.70 lakhs and Interest of Rs. 368.20 lakhs aggregating to Rs. 881.31 lakhs on 25.02.2015, under protest. Upon representations ,the Company received the favourable orders from all the appellate authorities viz CESTAT, Hon'ble High Court and the Supreme Court. The company has received the refund amounting to Rs. 881.21 lakhs(net of fees) without interest on 4.10.2021. As the appeal before the Commissioner (Appeal) for claiming interest on Rs 881.21 lakhs was rejected, the company has filed the appeal before CESTAT on 28.6.2022.

b) Further, following demand cum show cause notices for service tax (interest and penalties not quantified) were served by the Service Tax department for the undernoted years:

| | (Rs.in lakhs) |
|---|---|
| **Year** | Amount |
| 2011-12 | 42.77 |
| 2012-13 | 51.68 |
| 2013-14 | 46.69 |
| Apr. 2014 to Jun. 2017 | 228.99 |
| **Total** | 370.13 |

The Company, based on the expert opinion, considers that the above matters, on which demand-cum-show cause notices were served, does not fall within the ambit of service tax. Hence, the demands have been contested by the Company with the respective authorities and accordingly no provision for demand of Rs. 370.13 lakhs has been considered necessary in the accounts as at 31.03.2022 and the said demand of Rs. 370.13 lakhs has been included in Contingent Liability in note 35.1.

**35.10 COVID-19 Impact**

Coronavirus Disease (COVID-19) has resulted in significant decrease in economic activities. Accordingly, significant number of the events scheduled in 2021-22 were cancelled/ postponed by the company/ organisers, thus impacting the operations of the company substantially. Further, the IECC project activities were also impacted resulting in delay in completion of work.

The management is of the view that the recoverability of carrying amount of assets and liabilities based on the current indicators of the future economic condition considering the probable impact of COVID 19. It is estimated as at the date of approval of financial statements that the Company will be able to recover the carrying amount of assets and settle its liabilities. However, the extent to which CoVID-19 pandemic will impact the Company's activities and financial results in the future will depend upon future developments which are highly uncertain. Hence, its impact may be different from that now estimated and the Company will continue to closely monitor any material changes to future economic conditions and the same will be accounted for as and when crystallized in the period to which it relates.

**35.11 LEASES**

On adoption of Ind AS 116, the Company recognised lease liabilities and right-of-use (ROU) assets in relation to leases which had previously been classified as 'operating leases' under the principles of Ind AS 17 "Leases", except for those identified as low-value or having a remaining lease term of less than 12 months from the date of initial application. On transition, for leases previously accounted for as operating leases with a remaining lease term of less than 12 months and for leases of low-value assets, the Company has applied the optional exemptions to not recognise right-of-use assets but to account for the lease expense on a straight line basis over the remaining lease term.

The Company has taken immovable properties on lease which are generally long term in nature. Lease liabilities are measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as at initial recognition. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 April 2019 was 8.05%.

| | | | (Rs. in Lakhs) |
|---|---|---|---|
| **Particulars** | **Category of ROU Asset** | | **Total** |
| | **Land** | **Office Flats** | |
| **Balance as at 1st April'20** | **176.53** | **192.81** | **369.34** |
| Addition | - | - | - |
| Deletion | - | - | - |
| Depreciation | 2.84 | 4.39 | 7.23 |
| **Balance as at 31st March'21** | **173.69** | **188.42** | **362.11** |
| Addition | - | - | - |
| Deletion | - | - | - |
| Depreciation | 2.84 | 4.39 | 7.23 |
| **Balance as at 31st March'22** | **170.85** | **184.03** | **354.88** |

The aggregate depreciation expense on ROU assets is included under Depreciation and Amortization Expense in Note no. 30



The break-up of current and non-current lease liabilities is as follows: (Rs. in Lakhs)

| **Particulars** | **As at March 31, 2022** | **As at March 31, 2021** |
|---|---|---|
| Current Lease Liability | 0.69 | 0.64 |
| Non-current Lease Liability | 295.36 | 296.05 |
| Total | **296.05** | **296.69** |

The movement in lease liabilities during the year is as follows: (Rs. in Lakhs)

| **Particulars** | **As at March 31, 2022** | **Year ended March 31, 2021** |
|---|---|---|
| Opening balance at the beginning of the year | 296.69 | 297.27 |
| Finance cost accrued during the period | 23.47 | 23.53 |
| Payment of Lease liabilities | 24.11 | 24.11 |
| **Balance at the year end** | **296.05** | **296.69** |

The details of the contractual maturities of lease liabilities on an undiscounted basis are as follows: (Rs. in Lakhs)

| **Particulars** | **As at March 31, 2022** | **As at March 31, 2021** |
|---|---|---|
| Less than one year | 24.11 | 24.11 |
| One to five years | 96.45 | 96.45 |
| More than five years | 1,000.81 | 1,024.92 |
| Total | **1,121.37** | **1,145.48** |

**Leasehold land at Ghazipur**

ROU assets include written down value of Rs. 98.61 lakhs as on 31st March 2022 towards 1.5 acres of land allotted to the Company by DDA w.e.f. 1989 on perpetual lease for "Construction of staff quarters" at Ghazipur, Delhi at a cost of Rs 72.85 lakhs. Further, cumulative expenditure of Rs 60.10 lakhs was incurred towards annual ground rent paid to DDA. During the year, the BOD in its 217th meeting held on 27th Aug. 2021 decided to request DDA to take back the land considering that inter-alia the land will not be required by the company now or in future. The company has, accordingly, requested DDA to refund Rs. 132.94 lakhs to the company along with the simple interest @ 9% for returning the land. Pending approval/ decision of DDA on the request of the company, no change in terms of lease are known to record the effect in the books of account. Hence, the ROU for the said land is continued at earlier terms and continued to be accounted as per Ind AS 116.

## 35.12 EMPLOYEES' BENEFITS

General description of various defined employee benefit schemes are as under:-

### I. Defined Contribution Plans

**Provident Fund**

The Company pays its contribution relating to the Provident Fund of its employees, at the prescribed rates to the ITPO Employees' Contributory Provident Fund Trust which invests the funds in permitted securities. The contribution for the year is recognized as expense and is charged to the statement of income and expenditure. The Company is also under obligation to make good the shortfall of the trust, if any, and recognizes such shortfall as its expense.

**Pension Fund**

The Company is under obligation to contribute specified amounts towards the Superannuation benefit of the employees to the ITPO Employees Defined Contribution Superannuation Trust. The contribution for the year is recognized as expense and is charged to the statement of income and expenditure. The Company is also under obligation to make good the shortfall of the trust, if any, and recognizes such shortfall as its expense.

Expense charged to the statement of Income & Expenditure as employer's contribution to these funds during the year is as under:

(Rs. in Lakhs)

| | **2021-22** | **2020-21** |
|---|---|---|
| Employer's contribution towards Provident Fund | 526.42 | 564.72 |
| Employer's contribution towards Pension Fund | 129.00 | 321.96 |
| | 655.42 | 886.68 |

**II. Defined Benefits Plans**

**Gratuity**

The Company has a defined benefit gratuity scheme which is funded. A separate ITPO Employees Gratuity Fund Trust manages the affairs of the trust. The funds of the trust are managed by LIC. It is recognized in the books of the Company on the basis of actuarial valuation. Every employee who has rendered continuous service of 5 years or more is entitled to get gratuity at the rate of 15 days salary [15/26 x (last drawn basic salary + dearness allowance)] for each completed year of service, as per rules of the Company/ DPE guidelines on the subject.

**i. Expenses recognized in the statement of Income and Expenditure**

(Rs. in Lakhs)

| | 2021-22 | 2020-21 |
|---|---|---|
| Interest cost | 13.27 | 47.83 |
| Service cost | 192.17 | 202.46 |
| Expenses as per actuarial valuation | 205.44 | 250.29 |
| Gratuity paid to employees not covered under Gratuity Trust | 0.80 | |
| Expenses recognized in the statement of Income & Expenditure | 206.24 | 250.29 |
| Remeasurements: | | |
| Opening unrecognized Actuarial Gain/ (loss) | (954.55) | (932.55) |
| Actuarial gain/ (loss) for the year on asset | 9.33 | (3.34) |
| Actuarial gain/ (loss) for the year on PBO due to change in: | | |
| -Demographic Assumption | - | - |
| -Financial Assumption | (46.87) | (25.64) |
| -Experience Assumption | (309.32) | 6.99 |
| **OCI recognized for the year** | (346.86) | (21.99) |
| Net actuarial gain/(loss) unrecognized in OCI at the end of the year | (1,301.41) | (954.55) |

**ii. The amount recognized in the Balance Sheet**

| | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Present value of the obligation at end of the year | 5,315.01 | 5,427.37 |
| Fair value of plan assets at end of year | 4,572.98 | 5,220.63 |
| Net liability recognized in Balance Sheet and related analysis | 742.03 | 206.74 |
| Funded/ (unfunded) Status | (742.03) | (206.74) |

**iii. Changes in the Present Value of Obligations:**

| | 2021-22 | 2020-21 |
|---|---|---|
| Present value of the obligation at the beginning of the year | 5,427.37 | 6,068.97 |
| Interest cost | 348.44 | 396.91 |
| Service cost | 192.17 | 202.46 |
| Benefits paid | (1,009.16) | (1,259.63) |
| Actuarial (gain)/loss | 356.19 | 18.65 |
| Present value of the obligation at the end of the year | 5,315.01 | 5,427.37 |

**iv. Maturity Profile:**

| **Year** | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| 0 to 1 year | 830.86 | 954.02 |
| 1 to 2 year | 909.44 | 651.83 |
| 2 to 3 year | 943.37 | 787.19 |
| 3 to 4 year | 753.51 | 791.60 |
| 4 to 5 year | 494.39 | 679.93 |
| 5 to 6 year | 365.50 | 446.24 |
| 6 year onwards | 1,017.93 | 1,116.55 |

| **v. Sensitivity Analysis of the defined benefit obligation:** | 2021-22 | 2020-21 |
|---|---|---|
| **a) Impact of the change in discount rate** | | |
| Present Value of Obligation at the end of the year | 5,315.01 | 5,427.37 |
| a) Impact due to increase of 0.50% | (99.88) | (105.24) |
| b) Impact due to decrease of 0.50% | 100.34 | 109.08 |



**b) Impact of the change in salary increase**

| | | |
|---|---|---|
| Present Value of Obligation at the end of the year | 5,315.01 | 5,427.37 |
| a) Impact due to increase of 0.50% | 100.05 | 109.00 |
| b) Impact due to decrease of 0.50% | (100.52) | (106.14) |

Sensitivities due to mortality & withdrawals are not material. Hence, impact of change due to these have not been calculated.

**vi. The assumptions employed for the calculations are tabulated below:**

| | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Discount rate | 6.69% per annum | 6.42% per annum |
| Salary Growth Rate | 6.50% per annum | 6.00% per annum |
| Mortality | IALM 2012-14 | IALM 2012-14 |
| Withdrawal rate (Per Annum) | 2.00% per annum | 2.00% per annum |

**vii. Expected contribution for the next annual reporting period**

| | 2021-22 | 2020-21 |
|---|---|---|
| Service Cost | 197.67 | 204.47 |
| Net Interest Cost | 49.64 | 13.27 |
| Expected Expense for the next annual reporting period | 247.31 | 217.74 |

**viii. Major categories of plan assets (as percentage of total plan assets)**

| | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Funds Managed by Insurer | 100% | 100% |

**ix. Change in Fair Value of Plan Assets**

| | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Fair value of plan assets at the beginning of the period | 5,220.63 | 5,337.53 |
| Difference in Opening Fund | - | - |
| Actual return on plan assets | 351.92 | 354.77 |
| Less- FMC Charges | (7.43) | (9.04) |
| Employer contribution | 17.00 | 797.00 |
| Benefits paid | (1,009.16) | (1,259.63) |
| Fair value of plan assets at the end of the period | 4,572.96 | 5,220.63 |

**III. Other Long Term Employee Benefits**

**Leave Encashment**

The scheme of leave encashment is unfunded. It is recognized in the books of the Company on the basis of actuarial valuation. The encashment of Earned Leave (EL) and Half-Pay Leave (HPL) benefits to the employees of the Company accrue annually at the rate of 30 days and 20 days respectively. The BoD in its 214th meeting held on 22.09.2020 have revised the EL encashment during service subject to a maximum of 50% of the earned leave at credit or 20 days whichever is less, once in a calendar year leaving minimum balance of 30 days. EL is encashable subject to a maximum of 300 days on superannuation/ death / resignation etc. HPL is encashable only on superannuation / death / resignation etc. up to a maximum of 300 days as per the rules of the company. An overall ceiling of encashment of EL and HPL for 300 days is prescribed at the time of superannuation / death / resignation, etc.

**i. Expenses recognized in the statement of Income and Expenditure**

| | 2021-22 | 2020-21 |
|---|---|---|
| Interest cost | 147.20 | 157.79 |
| Service cost | 105.32 | 113.83 |
| Net actuarial (gain)/loss recognized in the period | 215.29 | 184.76 |
| Expenses recognized in the statement of Income and Expenditure | 467.81 | 456.39 |

**ii. The amount recognized in the Balance Sheet**

| | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Present value of the obligation at end of the year | 2,423.77 | 2,292.90 |
| Net liability recognized in Balance Sheet and related analysis | 2,423.77 | 2,292.90 |
| Unfunded Status | (2,423.77) | (2,292.90) |

**iii. Changes in the Present Value of Defined Benefit Obligations:**

| | 2021-22 | 2020-21 |
|---|---|---|
| Present value of the obligation at the beginning of the year | 2,292.90 | 2,412.77 |
| Interest cost | 147.20 | 157.79 |
| Service cost | 105.32 | 113.83 |
| Benefits paid | (336.94) | (576.26) |
| Actuarial (gain)/loss from change in: | | |
| -Demographic Assumption | - | - |
| -Financial Assumption | 26.15 | 12.88 |
| -Experience Assumption | 189.14 | 171.88 |
| Present value of the obligation at the end of the year | 2,423.77 | 2,292.90 |

**iv. Maturity Profile:**

| **Year** | **As at March 31, 2022** | **As at March 31, 2021** |
|---|---|---|
| 0 to 1 year | 370.34 | 412.27 |
| 1 to 2 year | 362.16 | 846.10 |
| 2 to 3 year | 418.58 | 283.18 |
| 3 to 4 year | 297.27 | 199.59 |
| 4 to 5 year | 223.98 | 132.37 |
| 5 to 6 year | 159.98 | 99.44 |
| 6 year onwards | 591.47 | 319.95 |

| **v. Sensitivity Analysis of the defined benefit obligation:** | **2021-22** | **2020-21** |
|---|---|---|
| **a) Impact of the change in discount rate** | | |
| Present Value of Obligation at the end of the year | 2,423.77 | 2,292.90 |
| a) Impact due to increase of 0.50% | (55.46) | (54.31) |
| b) Impact due to decrease of 0.50% | 58.44 | 57.04 |
| **b) Impact of the change in salary increase** | | |
| Present Value of Obligation at the end of the year | 2,423.77 | 2,292.90 |
| a) Impact due to increase of 0.50% | 58.21 | 56.98 |
| b) Impact due to decrease of 0.50% | (55.69) | (54.62) |

Sensitivities due to mortality & withdrawals are not material. Hence, impact of change due to these have not been calculated.

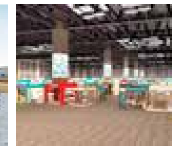
**vi. Bifurcation of PBO at the end of year in current and non current**

| | 2021-22 | 2020-21 |
|---|---|---|
| Current liability (Amount due within one year) | 370.34 | 412.27 |
| Non-Current liability (Amount due over one year) | 2,053.43 | 1,880.63 |
| **Total PBO at the end of year** | 2,423.77 | 2,292.90 |

**vii. The assumptions employed for the calculations are tabulated below:**

| | **As at March 31, 2022** | **As at March 31, 2021** |
|---|---|---|
| Discount rate | 6.69% per annum | 6.42% per annum |
| Salary Growth Rate | 6.50% per annum | 6.00% per annum |
| Mortality | IALM 2012-14 | IALM 2012-14 |
| Withdrawal rate (Per Annum) | 2.00% per annum | 2.00% per annum |

**viii. Leave encashment while in service for all employees is temporarily suspended till 31.03.2023**



## 35.13 Trade Receivables ageing schedule

**As on 31st March 2022**

(Rs. in Lakhs)

| Particulars | Outstanding for following periods from billing date | | | | | |
|---|---|---|---|---|---|---|
| | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Undisputed – considered good | 423.07 | 5.84 | 55.93 | 55.02 | 134.37 | 674.22 |
| (ii) Undisputed – which have significant increase in credit risk | - | - | - | 2.35 | 269.59 | 271.93 |
| (iii) Undisputed – credit impaired | - | - | - | - | - | - |
| (iv) Disputed– considered good | - | - | - | - | - | - |
| (v) Disputed – which have significant increase in credit risk | - | - | 78.58 | - | 605.14 | 683.71 |
| (vi) Disputed – credit impaired | - | - | - | - | - | - |

**As on 31st March 2021**

| Particulars | Outstanding for following periods from billing date | | | | | |
|---|---|---|---|---|---|---|
| | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Undisputed – considered good | 107.72 | 17.56 | 176.66 | 55.05 | 62.90 | 419.88 |
| (ii) Undisputed – which have significant increase in credit risk | - | - | - | - | 604.61 | 604.61 |
| (iii) Undisputed – credit impaired | - | - | - | - | - | - |
| (iv) Disputed– considered good | - | - | - | - | - | - |
| (v) Disputed – which have significant increase in credit risk | - | - | 2.35 | 2.20 | 328.94 | 333.48 |
| (vi) Disputed – credit impaired | - | - | - | - | - | - |

### 35.14 Trade Payables ageing schedule

**As on 31st March 2022** (Rs. in Lakhs)

| Particulars | Outstanding for following periods from date of record | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) MSME | 6.12 | - | - | - | 6.12 |
| (ii) Others | 435.97 | 83.61 | 36.60 | 111.01 | 667.19 |
| (iii) Disputed dues – MSME | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - |

**As on 31st March 2021**

| Particulars | Outstanding for following periods from date of record | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) MSME | 19.30 | - | - | - | 19.30 |
| (ii) Others | 659.46 | 7.24 | 83.89 | 92.00 | 842.59 |
| (iii) Disputed dues – MSME | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - |

### 35.15 PROMOTER'S SHAREHOLDING

**As at 31st March 2022**

| Promoter's name | No. of Shares | %of total shares | % Change |
|---|---|---|---|
| Government of India | 25,000.00 | 100% | - |
| **Total** | **25,000.00** | **100%** | |

**As at 31st March 2021**

| Promoter's name | No. of Shares | %of total shares | % Change |
|---|---|---|---|
| Government of India | 25,000.00 | 100% | - |
| **Total** | **25,000.00** | **100%** | |

### 35.16 Balances with Struck off Companies

(Rs. in lakhs)

| Nature of transactions & Name of struck off Company | Balance outstanding as on 31.03.2022 | Relationship with the Struck off company |
|---|---|---|
| **Trade Receivables (Note 11)** | | |
| MOOG AUTOMOTIVES (I) PVT LTD | 1.02 | Nil |
| GULATI CATERERS PVT LTD | 130.57 | Nil |
| BIG VISION EVENTS PRIVATE LTD | 0.22 | Nil |
| CYNOSURE MEDIA SOLUTIONS PVT LTD | 0.41 | Nil |
| INTRA LINKS EXHIBITIONS & CONF P LTD | 1.44 | Nil |
| KARSUN INTERNATIONAL LTD | 5.74 | Nil |
| BETA AVIATION PVT LTD | 45.66 | Nil |
| PIXIE PUBLICATION INDIA PVT LTD | 0.70 | Nil |
| PICO INTERNATIONAL (I) LTD | 0.46 | Nil |
| CIRCUMFERENCE INFO SERVICES PVT LTD | 0.12 | Nil |
| | **186.33** | |

| Nature of transactions & Name of struck off Company | Balance outstanding | Relationship with the Struck off company |
|---|---|---|
| **Advance received from customers (Note 25)** | | |
| ORGANIC WELLNESS PRODUCTS PRIVATE LIMITED | 1.54 | Nil |
| SUNNY OVERSEAS | 4.67 | Nil |
| U R MEDIA EXHIBITOR PVT LTD | 1.37 | Nil |
| | **7.58** | |
| **Refund due to customers (Note 24)** | | |
| BROTHER ENTERPRISES HOLDING CO LTD | 0.04 | Nil |
| CREATIVE HYGIENE PRIVATE LIMITED | 0.07 | Nil |
| DURGA TRADING COMPANY | 0.03 | Nil |
| EMICLEAN CHEMICALS PVT LTD | 0.03 | Nil |
| FOUR SQUARE MEDIA PVT LTD-DELHI | 0.02 | Nil |
| HILTON CONSUMER PRODUCT PVT LTD | 2.08 | Nil |
| JMD INTERNATIONAL | 0.00 | Nil |
| M K ENTERPRISES-DELHI- | 0.02 | Nil |
| MUTTI FOODS INDIA PRIVATE LIMITED | 0.40 | Nil |
| PARAS INDUSTRIES | 0.05 | Nil |
| PRACHALIT INFOMEDIA PVT LTD | 0.36 | Nil |
| RISHI OVERSEAS | 0.26 | Nil |
| SALONI IMPEX | 0.04 | Nil |
| SONA IMPEX-OYA CHOCOLATES | 0.44 | Nil |
| SUNNY OVERSEAS | 0.77 | Nil |
| UNISON ELECTROVISION PVT LTD | 0.02 | Nil |
| | **4.63** | |

## 35.17 RELATED PARTY DISCLOSURES

### (a) INTEREST IN SUBSIDIARIES

| Name of Companies | Principal Place of Operation | Principal Activities | Proportion Of Ownership Interest | |
|---|---|---|---|---|
| | | | 31.03.2022 | 31.03.2021 |
| Tamilnadu Trade Promotion Organisation (TNTPO) | India | Trade Promotion | 51% | 51% |
| Karnataka Trade Promotion Organisation (KTPO) | India | Trade Promotion | 51% | 51% |
| ITPO Services Limited (ISL) | India | Hospitality | 100% | 100% |

### (b) INTEREST IN JOINT VENTURE & ASSOCIATE

| Name of Company | Principal Place of Operation | Principal Activities | Proportion of Ownership Interest | |
|---|---|---|---|---|
| | | | 31.03.2022 | 31.03.2021 |
| National Centre for Trade Information (NCTI)- under liquidation | India | Trade Information | 50% | 50% |
| Jammu & Kashmir Trade Promotion Organisation (JKTPO) | India | Trade Promotion | 42.05% | 42.05% |

### (c) LIST OF OTHER RELATED PARTIES

| Name of Related Parties | Principal Place of Operation | Nature of relationship |
|---|---|---|
| ITPO Employees Contributory Provident Fund Trust | India | Post -Employment Benefit Plan of ITPO |
| ITPO Employees Group Gratuity Fund Trust | India | Post- Retirement Benefit Plan of ITPO |
| ITPO Employees Defined Contribution Superannuation Trust | India | Post- Retirement Benefit Plan of ITPO |

(Rs. In lakhs)

### (d)

| TRANSACTIONS WITH RELATED PARTIES | 2021-22 | 2020-21 |
|---|---|---|
| **ITPO Services Limited (ISL)** | | |
| Investment made by the company | - | 5.00 |
| Expenses borne by the company on behalf of ISL | - | 62.04 |
| **ITPO Employees Contributory Provident Fund Trust** | | |
| Contribution by the Company (including employees' contribution) | 954.71 | 2,074.07 |
| **ITPO Employees Group Gratuity Fund Trust** | | |
| Contribution by the Company | 553.10 | 797.00 |
| **ITPO Employees Defined Contribution Superannuation Trust** | | |
| Contribution by the Company (including employees' contribution) | 192.36 | 420.00 |

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

**(e) OUTSTANDING BALANCES WITH RELATED PARTIES**

(Rs. In lakhs)

| | Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|---|
| (i) | **Balances with Subsidiaries** | | |
| | **Tamilnadu Trade Promotion Organisation** | | |
| | Payable by company | - | 22.92 |
| (ii) | **National Centre for Trade Information (NCTI- Joint Venture)** | | |
| | Payable by company | 12.83 | 14.20 |
| | Receivable by the company | 94.50 | 94.75 |
| | Loass Allowance/ Provision for Doubtful recoveries | 24.67 | 94.75 |
| (iii) | **Payable by Company** | | |
| | ITPO Employees Contributory Provident Fund Trust | 4.88 | - |
| | ITPO Employees Group Gratuity Fund Trust | 742.03 | 206.74 |
| | ITPO Employees Defined Contribution Superannuation Trust | - | - |
| (iv) | **Receivable by Company** | | |
| | ITPO Employees Contributory Provident Fund Trust | - | 185.35 |

**(f) KEY MANAGEMENT PERSONNEL**

| | Name | Relationship |
|---|---|---|
| 1 | Sh. Pradeep Singh Kharola (w.e.f. 20.10.2022) | Chairman & Managing Director |
| 2 | Sh. Vibhu Nayar (w.e.f. 17.09.2021) | Executive Director |
| 3 | Sh. Shashank Priya | Nominee Director |
| 4 | Ms. Mercy Epao (w.e.f. 20.07.2022) | Nominee Director |
| 5 | Dr. Krishan Kumar (w.e.f. 24.05.2022) | Nominee Director |
| 6 | Sh. Noor Rahman Sheikh (w.e.f. 27.12.2021) | Nominee Director |
| 7 | Ms. V.G. Aravindanayagi | Independent Director |
| 8 | Rear Admiral (Retd.) R K Shrawat | Independent Director |
| 9 | Sh. Om Prakash Chalniwale (w.e.f. 03.11.2021) | Independent Director |
| 10 | Sh. L C Goyal (till 01.09.2022) | Chairman & Managing Director |
| 11 | Sh. B V R Subrahmanyam (w.e.f. 02.09.2022 to 30.09.2022) | Chairman & Managing Director |
| 12 | Sh. Rajesh Agrawal (till 21.06.2021) | Executive Director |
| 13 | Smt. Alka Nangia Arora (till 20.07.2022) | Nominee Director |
| 14 | Sh. P. Harish (till 27.12.2021) | Nominee Director |
| 15 | Sh. Amitabh Kumar (till 24.05.2022) | Nominee Director |
| 16 | Sh. D M Sharma (till 30.04.2021) | CFO |
| 17 | Sh. S R Sahoo (CFO w.e.f. 01.05.2021 till 05.10.2021) | Company Secretary & CFO |
| 18 | Sh. Raj Kumar Thakur (w.e.f. 06.10.2021) | Incharge CFO |

Note: Related Parties and their relationship is as identified by the Company

**(g) COMPENSATION FOR KEY MANAGEMENT PERSONNEL**

| | Name Of Person | Designation | Salary & Allowances | Perks | Total Renumeration |
|---|---|---|---|---|---|
| | **2021-22** | | | | |
| | | | | | (Rs. In lakhs) |
| 1 | Sh. L C Goyal | Chairman & Managing Director | 22.59 | 25.52 | 48.11 |
| 2 | Sh. Rajesh Agrawal | Executive Director | 10.39 | 1.95 | 12.34 |
| 3 | Sh. Vibhu Nayar | Executive Director | 19.31 | 1.75 | 21.06 |
| 3 | Ms. V. G. Aravindanayagi<br>-Sitting Fees of Rs 1.60 lakhs (Refer Note 32) | Independent Director | - | - | - |
| 4 | Rear Admiral (Retd.) R K Shrawat<br>- Sitting Fees of Rs 1.80 lakh (Refer Note 32) | Independent Director | - | - | - |
| 5 | Sh. Om Prakash Chalniwale<br>- Sitting Fees of Rs 0.60 lakh (Refer Note 32) | Independent Director | - | - | - |
| 6 | Sh. D M Sharma | CFO | 12.22 | 0.13 | 12.35 |
| 7 | Sh. S R Sahoo | Company Secretary | 24.00 | 0.56 | 24.55 |
| 8 | Sh. Raj Kumar Thakur | Incharge CFO | 20.32 | 1.35 | 21.67 |
| | **2020-21** | | | | |
| | | | | | (Rs. In lakhs) |
| 1 | Sh. L C Goyal | Chairman & Managing Director | 23.43 | 22.55 | 45.98 |
| 2 | Sh. Rajesh Agrawal | Executive Director | 32.09 | 4.60 | 36.69 |
| 3 | Ms. V. G. Aravindanayagi<br>-Sitting Fees of Rs 1.40 lakhs (Refer Note 32) | Independent Director | - | - | - |
| 4 | Rear Admiral (Retd.) R K Shrawat<br>- Sitting Fees of Rs 1.00 lakh (Refer Note 32) | Independent Director | - | - | - |
| 5 | Sh. D M Sharma | CFO | 31.75 | 2.22 | 33.97 |
| 6 | Sh. S R Sahoo | Company Secretary and CFO | 23.39 | 1.19 | 24.58 |

**(h) TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL**

(Rs. In lakhs)

| Particulars | 2021-22 | 2020-21 |
|---|---|---|
| **Compensation to Key management personnel** | | |
| - Short Term Employee Benefits | 127.79 | 121.78 |
| - Post Employment Benefits * | 12.28 | 19.44 |
| - Other Long Term Benefits | - | - |
| - Termination Benefits | - | - |
| - Share Based Payment | - | - |
| - Sitting Fee | 4.00 | 2.40 |
| **Total** | **144.07** | **143.62** |

* Acturial values in respect of leave encashment and gratuity is not seperately identifiable from acturial report, therefore not included above.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

**35.18 Corporate Social Responsibility (CSR)** (Rs. in lakhs)

| | | | **As at 31st March 2022** | **As at 31st March 2021** |
|---|---|---|---|---|
| A | Gross amount lying pending for the earlier years at the beginning of the year | | 319.56 | 122.10 |
| B | Gross amount required to be spent during the year as per Section 135 of Companies Act, 2013 | | 51.81 | 197.46 |
| C | Amount approved by the Board to be spent during the year | | 2.26 | - |

| | | **In cash** | **Yet to be paid in cash** | **Total** |
|---|---|---|---|---|
| D | Amount spent during the year: | | | |
| | 2021-22: | | | |
| | i) Construction/acquisition of any asset | - | - | - |
| | ii) On purposes other than (i) above | 2.26 | - | 2.26 |
| | 2020-21: | | | |
| | i) Construction/acquisition of any asset | - | - | - |
| | ii) On purposes other than (i) above | - | - | - |

| | | **2021-22** | **2020-21** |
|---|---|---|---|
| E | Details related to spent / unspent obligations: | | |
| | i) Contribution to Public/ Charitable Trust (related party) | - | - |
| | ii) Unspent amount in relation to: | | |
| | - Ongoing project | 20.50 | 209.50 |
| | - Other than ongoing project | 733.34 | 180.12 |
| F | Shortfall at the end of the year (unpaid in separate CSR Account within stipulated period or unapproved expenditure) | Nil | Nil |
| G | Reason for shortfall | Not applicable | |

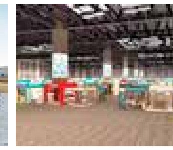
**Details of ongoing project and other than ongoing project**

| | | | |
|---|---|---|---|
| H | **In case of S. 135(6)- Ongoing Project** | **2021-22** | **2020-21** |
| i. | Opening Balance: | | |
| | > With Company | 209.50 | 395.28 |
| | > In separate CSR Unspent A/c | - | - |
| ii. | Less: Amount spent during the year: | | |
| | > From Company's bank A/c | 11.16 | 5.66 |
| | > From separate CSR Unspent A/c | - | - |
| iii. | Less: Projects cancelled/ refund (refer E(ii) above) | 177.84 | 180.12 |
| iv. | Closing Balance: | | |
| | > With Company (Provision of CSR) | **-** | **209.50** |
| | > In separate CSR Unspent A/c | **20.50** | **-** |

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

| I | **In case of S. 135(5)- Other than ongoing project** | **2021-22** | **2020-21** |
|---|---|---|---|
| i. | Opening Balance | 499.68 | 122.10 |
| | + Amount required to be spent during the year | 51.81 | 197.46 |
| | + Ongoing project cancelled | 177.84 | 180.12 |
| | + Interest earned on specified Fund | 6.27 | - |
| | - Amount spent during the year | 2.26 | - |
| ii. | Closing Balance | 733.34 | 499.68 |
| iii | Provision of CSR (refer E(iii) above) | 733.34 | 180.12 |
| iv. | Liability Unrecognised (A + B) | - | 319.56 |
| v. | Accumulated amount deposited in specified Fund of Sch. VII within 6 months | 733.32 | 698.00 |
| J | Total Balance in separate CSR Account within 6 months (H(iv) + I(v)) | 753.82 | 698.00 |
| K | Provision for CSR (H(iv) + I(iii)) (refer note 26 for movement) | 733.34 | 389.62 |





**35.19 Financial Instruments - Fair Values Measurement and Financial Risk Management**

**I Fair Value Measurements**

**A. Financial Instruments by Category**

**(Rs. in Lakhs)**

| | As at 31 March 2022 | | As at 31 March 2021 | |
|---|---|---|---|---|
| | FVTPL | Amortised Cost | FVTPL | Amortised Cost |
| **Financial Assets** | | | | |
| **Non-current assets** | | | | |
| Investments | - | - | - | - |
| Loans | - | 954.12 | - | 1,095.02 |
| **Current assets** | | | | |
| Investments | 113.01 | - | 95.57 | - |
| Trade receivables | - | 739.25 | - | 470.19 |
| Cash and cash equivalents | - | 2,672.77 | - | 3,797.42 |
| Bank balances other than cash and cash equivalents | - | 28,941.06 | - | 25,699.42 |
| Loans | - | 184.34 | - | 447.48 |
| Other Financial assets | - | 3,649.60 | - | 847.29 |
| | **113.01** | **37,141.14** | **95.57** | **32,356.82** |
| **Financial Liabilities** | | | | |
| **Non-current liabilities** | | | | |
| Borrowings | - | 39,957.25 | - | 32,967.68 |
| Lease liabilities | - | 295.36 | - | 296.05 |
| **Current Liabilities** | | | | |
| Borrowings | | 2,635.00 | - | 658.75 |
| Trade payables | - | 673.31 | - | 861.89 |
| Lease liabilities | - | 0.69 | - | 0.64 |
| Other financial liabilities | - | 6,737.53 | - | 6,090.98 |
| | **-** | **50,299.14** | **-** | **40,875.99** |

**B. Fair Value Hierarchy**

This explains the judgements and estimates made in determining the fair values of the financial instruments that are:
(a) recognised and measured at fair value and
(b) measured at amortised cost and for which fair values are disclosed in the financial statements.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation techniques:
Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level-2.
Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels as prescribed under the Ind AS. An explanation of each level is given in the table below.

**Financial assets and liabilities measured at fair value-recurring fair value measurements**

**(Rs. in Lakhs)**

| | As at 31 March 2022 | | | As at 31 March 2021 | | |
|---|---|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Level 1 | Level 2 | Level 3 |
| **Financial Assets measured at FVTPL** | | | | | | |
| Investments in Mutual Funds | 113.01 | - | - | 95.57 | - | - |
| **Total Financial Assets** | **113.01** | **-** | **-** | **95.57** | **-** | **-** |

**Assets and liabilities which are measured at amortised cost for which fair values are disclosed**

(Rs. in Lakhs)

| | As at 31 March 2022 | | | As at 31 March 2021 | | |
|---|---|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Level 1 | Level 2 | Level 3 |
| **Financial Assets** | | | | | | |
| **Non-current assets** | | | | | | |
| Investments | - | - | - | - | - | - |
| Loans | - | - | 954.12 | - | - | 1,095.02 |
| **Current assets** | | | | | | |
| a) Trade Receivables | - | - | 739.25 | - | - | 470.19 |
| b) Cash and Cash Equivalents | - | - | 2,672.77 | - | - | 3,797.42 |
| c) Bank Balances other than Cash and Cash Equivalents | - | - | 28,941.06 | - | - | 25,699.42 |
| d) Loans | - | - | 184.34 | - | - | 447.48 |
| e) Other Financial assets | - | - | 3,649.60 | - | - | 847.29 |
| | - | - | **37,141.14** | - | - | **32,356.82** |
| **Financial Liabilities** | | | | | | |
| **Non-current liabilities** | | | | | | |
| Borrowings | - | - | 39,957.25 | - | - | 32,967.68 |
| Lease liabilities | - | - | 295.36 | - | - | 296.05 |
| **Current Liabilities** | | | | | | |
| Borrowings | - | - | 2,635.00 | | | 658.75 |
| Trade payables | - | - | 673.31 | - | - | 861.89 |
| Lease liabilities | - | - | 0.69 | - | - | 0.64 |
| Other financial liabilities | - | - | 6,737.53 | - | - | 6,090.98 |
| **Total Financial Liabilities** | - | - | **50,299.14** | - | - | **40,875.99** |

**C. Fair Value of financial assets and financial liabilities measured at amortised cost:** (Rs. in Lakhs)

| | As at 31 March 2022 | | As at 31 March 2021 | |
|---|---|---|---|---|
| | Carrying Value | Fair Value | Carrying Value | Fair Value |
| **Financial Assets** | | | | |
| **Non-current assets** | | | | |
| Investments | - | - | - | - |
| Loans | 954.12 | 954.12 | 1,095.02 | 1,095.02 |
| **Current assets** | | | | |
| a) Trade Receivables | 739.25 | 739.25 | 470.19 | 470.19 |
| b) Cash and Cash Equivalents | 2,672.77 | 2,672.77 | 3,797.42 | 3,797.42 |
| c) Bank Balances other than Cash and Cash Equivalents | 28,941.06 | 28,941.06 | 25,699.42 | 25,699.42 |
| d) Loans | 184.34 | 184.34 | 447.48 | 447.48 |
| e) Other Financial assets | 3,649.60 | 3,649.60 | 847.29 | 847.29 |
| | **37,141.14** | **37,141.14** | **32,356.82** | **32,356.82** |
| **Financial Liabilities** | | | | |
| **Non-current liabilities** | | | | |
| Borrowings | 39,957.25 | 39,957.25 | 32,967.68 | 32,967.68 |
| Lease liabilities | 295.36 | 295.36 | 296.05 | 296.05 |
| **Current Liabilities** | | | | |
| Borrowings | 2,635.00 | 2,635.00 | 658.75 | 658.75 |
| Trade Payables | 673.31 | 673.31 | 861.89 | 861.89 |
| Lease liabilities | 0.69 | 0.69 | 0.64 | 0.64 |
| Other Current Financial Liabilities | 6,737.53 | 6,737.53 | 6,090.98 | 6,090.98 |
| | **50,299.14** | **50,299.14** | **40,875.99** | **40,875.99** |

The carrying amounts of trade receivables, trade payables, cash and cash equivalents, other bank balances, other current financial assets and financial liabilities are considered to be the same as their fair value, due to their short term nature.

The fair value of loans were calculated based on cash flows using MCLR/ base rate of SBI. They are classified as level 3 fair values in their fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit.

**II Financial risk management**

The Company's principal financial liabilities comprise trade and other payables. The Company's principal financial assets include trade and other receivables, and cash and short-term deposits that derive directly from its operations. The Company also holds investment in mutual funds. The Company's activities expose it to some of the financial risks: market risk, credit risk and liquidity risk.





**a) Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises Foreign Currency Risk and Interest rate risk. Financial instruments affected by market risk includes trade receivables and trade payables.

**(i) Foreign Currency Risk**

The company operated internationally and is exposed to insignificant foreign currency risk arising from foreign currency transactions. The Company has hedged the foreign currency risks for foreign currency balances as on 31st March 2022.

There are no unhedged foreign currency exposures.

**Foreign currency exposures that are hedged by forward contract are given below:**

**(Rs. in Lakhs)**

| Foreign Currency | Note no. | Currency Symbol | As at 31st March, 2022 FC | As at 31st March, 2022 INR | As at 31st March, 2021 FC | As at 31st March, 2021 INR |
|---|---|---|---|---|---|---|
| **Assets** | | | | | | |
| **CASH & CASH EQUIVALENTS** | 12 | | | | | |
| **Balances with Banks- Current & Savings account** | | | | | | |
| Yen | | ¥ | - | - | 7.9215 | 5.34 |
| United States Dollar | | $ | - | - | 0.0605 | 4.50 |
| **OTHER CURRENT FINANCIAL ASSETS** | 15 | | | | | |
| **Due From Indian Mission Abroad** | | | | | | |
| United States Dollar | | $ | - | - | 0.1063 | 7.89 |
| **OTHER CURRENT ASSETS** | 16 | | | | | |
| **Advances to vendors** | | | | | | |
| Euro | | € | 0.8660 | 74.12 | 0.8660 | 75.70 |
| United States Dollar | | $ | 0.0001 | 0.01 | 0.2413 | 17.91 |
| Canadian Dollar | | C$ | 0.0192 | 1.18 | 0.0192 | 1.14 |
| **Liabilities** | | | | | | |
| **TRADE PAYABLES** | 23 | | | | | |
| United States Dollar | | $ | 0.0117 | 0.88 | - | - |
| **Net Assets (in INR)** | | | | **74.43** | | **112.47** |

**ii) Interest Rate Risk**

Interest rate risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of change in market interest rate. The company manages its interest risk in accordance with the company's policies and risk objective. Financial instruments affected by interest rate risk includes deposits with banks and Inter corporate deposits with NBFC's etc. Interest rate risk on these financial instruments are very low as interest rate is fixed for the period of financial instruments.

**b) Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

**(i) Provision for Expected Credit Losses**

**As at 31st March 2022**

a) Expected Credit Loss for Trade Receivables under simplified Approach

**(Rs. In Lakhs)**

| **Ageing** | **< 6 M** | **> 6 < 12** | **> 12 < 24** | **> 24 < 36** | **> 36** | **Total** |
|---|---|---|---|---|---|---|
| Gross Carrying Amount | 423.07 | 5.84 | 134.51 | 57.37 | 1,009.10 | 1,629.87 |
| Expected Credit rate | - | - | 58.42% | 4.09% | 86.68% | 58.63% |
| Expected Credit losses (Less: | - | - | (78.58) | (2.35) | (874.72) | (955.65) |
| **Gross Carrying Amount of Trade** | **423.07** | **5.84** | **55.93** | **55.02** | **134.37** | **674.22** |

b) Expected Credit Loss for loans and investments

**(Rs. In Lakhs)**

| **Particulars** | | **Assets Group** | **Carrying Value** | **Expected Probability of Default** | **Expected credit Loss** | **Carrying Amount Net of Expected credit Loss** |
|---|---|---|---|---|---|---|
| Loss allowance measured at life time ECL | Financial assets for which credit risk has increased and not credit impaired | Grant Recoverable from Government of India | 600.86 | 78.38% | (470.95) | 129.91 |
| | | Dues in Respect of Deposit Work | 70.15 | 100.00% | (70.15) | - |
| | | | **671.01** | **80.64%** | **(541.10)** | **129.91** |

**As at 31st March 2021**

a) Expected Credit Loss for Trade Receivables under simplified Approach

**(Rs. In Lakhs)**

| **Ageing** | **< 6 M** | **> 6 < 12** | **> 12 < 24** | **> 24 < 36** | **> 36** | **Total** |
|---|---|---|---|---|---|---|
| Gross Carrying Amount | 107.72 | 17.56 | 179.01 | 57.25 | 996.44 | 1,357.97 |
| Expected Credit rate | - | - | 1.31% | 3.84% | 93.69% | 69.08% |
| Expected Credit losses (Less: Provision allowance) | - | - | (2.35) | (2.20) | (933.54) | (938.09) |
| **Gross Carrying Amount of Trade Receivables** | **107.72** | **17.56** | **176.66** | **55.05** | **62.90** | **419.88** |

b) Expected Credit Loss for loans and investments

**(Rs. In Lakhs)**

| **Particulars** | | **Assets Group** | **Carrying Value** | **Expected Probability of Default** | **Expected credit Loss** | **Carrying Amount Net of Expected credit Loss** |
|---|---|---|---|---|---|---|
| Loss allowance measured at life time ECL | Financial assets for which credit risk has increased and not credit impaired | Grant Recoverable from Government of India | 704.28 | 50.97% | (358.95) | 345.33 |
| | | Dues in Respect of Deposit Work | 70.15 | 100.00% | (70.15) | - |
| | | | **774.43** | **55.41%** | **(429.10)** | **345.33** |

**c) Liquidity risk**

Liquidity risk is the risk that the Company will not be able to settle or meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The Company's finance division is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.





The working capital position of the Company is given below:

**(Rs. In Lakhs)**

| **Particulars** | **As at 31st March, 2022** | | **As at 31st March, 2021** | |
|---|---|---|---|---|
| **i) Financial Assets** | | | | |
| a) Investments | 113.01 | | 95.57 | |
| b) Trade Receivables | 739.25 | | 470.19 | |
| c) Cash and Cash Equivalents | 2,672.77 | | 3,797.42 | |
| d) Bank Balances other than Cash and Cash Equivalents | 28,941.06 | | 25,699.42 | |
| e) Loans | 184.34 | | 447.48 | |
| f) Other Financial assets | 3,649.60 | 36,300.03 | 847.29 | 31,357.37 |
| **ii) Financial Liabilities** | | | | |
| **Financial Liabilities** | | | | |
| a) Borrowings | 2,635.00 | | 658.75 | |
| b) Trade Payables | 673.31 | | 861.89 | |
| c) Lease liabilities | 0.69 | | 0.64 | |
| d) Other Financial Liabilities | 6,737.53 | 10,046.53 | 6,090.98 | 7,612.26 |
| **Net Working Capital** | | **26,253.50** | | **23,745.11** |

**35.20 Capital Management**

For the purpose of the Company's capital management, capital includes issued equity capital, capital grant from Government of India and retained earnings treated as other equity.

**35.21 Segment reports**

The operating segments are identified on the basis of internal reports used by the Company's Management to allocate resources and assess their performance for decision making. The Board of Directors is collectively the Company's "Chief Operating Decision Maker" (CODM) within the meaning of Ind AS 108.

(Rs. In Lakhs)

| | Trade promotion activities in India | Trade promotion activities Abroad | Unallocated | Total |
|---|---|---|---|---|
| **Revenue-External** | 6,107.58 | 298.61 | 449.89 | 6,856.08 |
| | (267.45) | (19.32) | (2863.93) | (3150.70) |
| Inter-segment | - | - | - | - |
| Total Expenses | 9,848.16 | 811.08 | 2,692.85 | 13,352.09 |
| | (11151.42) | (1083.87) | (1160.25) | (13395.54) |
| Segment result | -3,740.58 | -512.47 | -2,242.96 | -6,496.01 |
| | (-10883.97) | (-1064.55) | (1703.68) | (-10244.84) |
| Interest/Dividend income | - | - | 1,213.25 | 1,213.25 |
| | - | - | (1851.91) | (1851.91) |
| Surplus/ (deficit) before | - | - | - | **-5,282.76** |
| taxation | - | - | - | (-8392.93) |
| Excess of income over | - | - | - | -5,282.76 |
| expenditure/ (expenditure over income) | - | - | - | (-8392.93) |
| **Other information** | | | | |
| Investment in Joint Ventures & | 220.00 | - | - | 220.00 |
| Associates | (301.88) | - | - | (301.88) |
| Segment assets | 2,21,019.55 | 210.28 | 37,501.77 | 2,58,731.60 |
| | (210520.18) | (469.33) | (40056.48) | (251045.99) |
| Segment liabilities | 13,425.34 | 15.66 | 47,065.57 | 60,506.57 |
| | (10017.55) | (104.58) | (37069.20) | (47191.33) |
| Capital expenditure | 16,510.55 | - | - | 16,510.55 |
| | (17584.44) | - | - | (17584.44) |
| Depreciation & Amortisation | 143.20 | - | - | 143.20 |
| | (151.94) | - | - | (151.94) |
| Other non-cash expenses | 588.83 | - | - | 588.83 |
| | (467.90) | - | - | (467.90) |

**NOTE:** (a) The unallocated expenditure includes 10% of establishment and office expenses. The balance is apportioned among the segments on the basis of their respective revenues.

(b) The unallocated assets and liabilities include those which are not possible to be appropriately identified to a specific segment.

(c) Figures in brackets in the Segment Report relate to the previous year.

**Information about major customers (from external customers)**

The Company does not derive any revenue from external customers which amounts to 10 percent or more of the Company's revenues.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022 (Contd.)

**35.22 Prior Period Adjustments**

| **2020-21** | **Particulars** | | **(Rs in Lakhs) Amount** |
|---|---|---|---|
| **Opening Retained Earning as on 01.04.2020** | | | **2,11,211.52** |
| **Adjustments:** | | | |
| REPAIRS & MAINTENANCE-OTHERS | | (4.78) | |
| HIRE OF TRANSPORT | | (0.26) | |
| | | | **(5.04)** |
| **Restated Opening Retained Earning as on 01.04.2020** | | | **2,11,206.48** |
| Restated Excess of Income over expenditure for the period from | | | (8,392.93) |
| Other Comprehensive Income during 2020-21 | | | (21.99) |
| **Restated Opening Retained Earnings as on 31.3.2021** | | | **2,02,791.56** |

**<u>Restated Excess of Income over expenditure for the year ended 31-03-2021</u>**

| **Particulars** | **Nature of error** | | **(Rs in Lakhs) For Year ended 31st March 2021** |
|---|---|---|---|
| **Impact on statement in Income & Expenditure [increase/(decrease) in profit]** | | | |
| **Excess of Income over expenditure for the period from continuing operations** | | | **(8,136.77)** |
| **OTHER EXPENSES** | | | |
| Repairs, Renewals & Maintenance | omission | 0.08 | |
| Maintenance of Pragati Maidan | omission | 151.19 | |
| Construction & Interior Decoration | omission | 101.59 | |
| Legal & Professional Charges | omission | 3.30 | |
| | | | 256.16 |
| Net Impact on Income & Expenditure | | | **(256.16)** |
| **Restated Excess of Income over expenditure for the period from continuing operations** | | | **(8,392.93)** |

**<u>Impact of Prior period errors on Equity and EPS</u>** **(Rs in Lakhs)**

| **Particulars** | **As at March 31, 2021** | **As at March 31, 2020** |
|---|---|---|
| **Impact on Equity [increase/(decrease) in equity]** | | |
| OTHER FINANCIAL LIABILITIES | | |
| Other Payables | 261.20 | 5.04 |
| **Net Impact on Equity** | **(261.20)** | **(5.04)** |

**Impact on basic and diluted earnings per share (EPS) [increase/(decrease) in EPS]**

**(Rs in Lakhs)**

| **Particulars** | **For Year ended 31st March 2021** |
|---|---|
| **Earnings per share for continuing operation** | |
| Basic, profit from continuing operations attributable to equity holders | (0.01) |
| Diluted, profit from continuing operations attributable to equity holders | (0.01) |

## NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

**35.23 Disclosures pursuant to amendment in Schedule III of the Companies Act 2013:**

The MCA vide notification dated 24th March 2021 has amended Schedule III to the Companies Act. 2013 in respect of certain disclosures which are applicable from 1st April 2021. The Company has incorporated the changes as per the said amendment in the financial statements and below disclosures are made in compliance of the said amendment :

(i) The Company has not traded or invested in Crypto Currency or Virtual Currency during the period.

(ii) The Company do not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.

(iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(v) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vi) The Company does not have any loans and advances in the nature of loans to promoters, directors, KMP and other related parties.

(vii) The Company does not have any transaction which is not recorded in the books of accounts that has been subsequently surrendered or disclosed as income during the year as part of the on going tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(viii) The Company has not been declared as willful defaulter by any bank or financial institution or government or any government authority.

(ix) The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(x) The Company do not have any title deeds of immovable properties not held in name of the company.

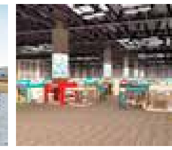
(xi) The Company does not have any investment property.

(xii) Company is not required to submit statement of current assets with the bank and therefore reconciliation of the statement filed by the company with bank and the books of accounts is not applicable.

(xiii The Company has not revalued any item of property, plant and equipment.

(xiv) The Company does not have any transactions where the company has not used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date

(xv) The Company have not entered into any scheme(s) of arrangements in terms of sections 230 to 237 of the Companies Act, 2013 during the financial year.



(xvi) The following accounting ratios are disclosed:

| Ratio | Numerator | Denominator | Current Period | Previous Period | % Variance | Reason for Variance |
|---|---|---|---|---|---|---|
| Current Ratio | Current Assets | Current Liabilities | 2.25 | 2.92 | -23.18% | Repayment of loan due and regular operations |
| Debt-equity Ratio | Total Debt | Shareholder's Equity | 0.21 | 0.16 | 30.26% | Additional borrowings in FY 2021-22 |
| Debt service coverage ratio | Earnings available for debt service | Debt Service | -1.56 | -3.89 | -60% | Lower losses in 2021-22 |
| Return on equity ratio | Net Profits after taxes – Preference Dividend (if any) | Average Shareholder's Equity | -2.63% | -4.03% | -34.86% | Lower losses in 2021-22 |
| Inventory turnover ratio | Cost of goods sold OR sales | Average Inventory | NA | | | |
| Trade receivables turnover ratio | Net Credit Sales | Avg. Accounts Receivable | 5.05 | 0.53 | 852% | Negligible operations in previous year due to COVID |
| Trade payables turnover ratio | Net Credit Purchases | Average Trade Payables | NA | | | |
| Net capital turnover ratio | Net Sales | Working Capital | 0.14 | 0.02 | 496% | Negligible operations in previous year due to COVID |
| Net profit ratio | Net Profit | Net Sales | -1.73 | -16.46 | -89.49% | |
| Return on capital employed | Earning before interest and taxes | Capital Employed | -0.02 | -0.03 | -38.87% | Lower losses in 2021-22 |
| Return on investment* | Net return on Investment | Total Investment | 0.04 | 0.07 | -47.60% | Lower interest rates on deposits |
| Return on Mutual Funds* | Net return on Mutual Fund | Closing value of Mutual Funds | 0.15 | 0.37 | -58.80% | Market fluctuations |

* Not Annualised.

**35.24 PREVIOUS YEAR FIGURES**

Previous year's figures have been regrouped/ rearranged/ recast, wherever considered necessary, to correspond with the current year figures.

| | | | |
|---|---|---|---|
| -sd- | -sd- | -sd- | -sd- |
| **(R K Thakur)** | **(S R Sahoo)** | **(Vibhu Nayar)** | **(Pradeep Singh Kharola)** |
| Dy. Gen. Manager (Fin.) | Company Secretary | Director | Chairman & Managing Director |
| I/c Chief Financial Officer | | | |
| M. No. 42105 | M. No. F5595 | DIN: 3590141 | DIN: 05347746 |

As per our Report of even date attached
**For P D Agrawal & Co.**
Chartered Accountants
Firm Regn. No. 001049C

-sd-
**Sanjeev Agrawal**
Partner
Membership No. 071427

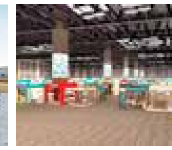
Place: New Delhi
Dated: 31st Oct. 2022


India Pavilion at SIAL, Paris (France) October 15-19, 2022


India Pavilion at Anuga, Cologne (Germany) October 9-13, 2021

# Consolidated Accounts





**INDIA TRADE PROMOTION ORGANISATION**

**CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2022**

**(Rs. In Lakhs)**

| Particulars | Note No. | As at 31st March 2022 | As at 31st March 2021 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current Assets** | | | |
| (a) Property, Plant and Equipment | 3 | 6,583.15 | 7,103.30 |
| (b) Right of use Assets | 3 | 1,100.05 | 1,193.26 |
| (c) Capital work in progress | 3 | 2,04,056.61 | 1,88,369.76 |
| (d) Other Intangible Assets | 4 | 18.99 | 25.08 |
| (e) Investments in Joint Ventures & Associates | 5 | 107.79 | 254.05 |
| (f) Financial Assets | | | |
| (i) Investments | 6 | - | - |
| (ii) Loans | 7 | 954.11 | 1,095.02 |
| (iii) Other Financial Assets | 8 | - | 796.00 |
| (g) Non-current tax assets | 9 | 2,206.54 | 11,250.31 |
| (h) Other non-current assets | 10 | 23,869.15 | 24,057.53 |
| **Current Assets** | | | |
| (a) Financial Assets | | | |
| (i) Investments | 11 | 113.01 | 95.57 |
| (ii) Trade receivables | 12 | 851.04 | 916.99 |
| (iii) Cash and cash equivalents | 13 | 3,265.97 | 5,274.70 |
| (iv) Bank balances other than (iii) above | 14 | 49,312.32 | 48,758.10 |
| (v) Loans | 15 | 193.00 | 456.13 |
| (vi) Other Financial assets | 16 | 4,359.75 | 1,537.16 |
| (b) Current tax assets | 17 | 9,639.55 | 8,553.32 |
| (c) Other Current Assets | 18 | 2,817.26 | 2,094.68 |
| **Total ASSETS** | | **3,09,448.30** | **3,01,830.96** |

| | | | |
|---|---|---|---|
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| (a) Equity Share Capital | 19 | 25.00 | 25.00 |
| (b) Other Equity | 20 | 2,20,254.69 | 2,25,683.67 |
| (c) Non- Controlling Interests | 21 | 22,278.50 | 22,023.68 |
| **Liabilities** | | | |
| **Non-current liabilities** | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 22 | 39,957.25 | 32,967.68 |
| (ii) Lease Liabilities | 23 | 1,119.57 | 1,184.57 |
| (b) Non-current Provisions | 24 | 2,125.52 | 1,946.55 |
| (c) Other non-current liabilities | 25 | 2,838.05 | 3,040.65 |
| **Current Liabilities** | | | |
| (a) Financial liabilities | | | |
| (i) Borrowings | 26 | 2,635.00 | 658.75 |
| (ii) Trade payables | 27 | | |
| - Total outstanding dues of Micro and Small Enterprises | | 6.12 | 19.30 |
| - Total outstanding dues of Creditors other than Micro and Small Enterprises | | 1,096.31 | 1,262.90 |
| (iii) Lease Liabilities | 28 | 408.19 | 272.30 |
| (iv) Other financial liabilities | 29 | 7,482.33 | 6,691.22 |
| (b) Other current liabilities | 30 | 7,183.48 | 4,812.65 |
| (c) Current Provisions | 31 | 2,038.28 | 1,242.04 |
| **Total Equity and Liabilities** | | **3,09,448.30** | **3,01,830.96** |

'Significant Accounting Policies' and 'Notes'- 1 to 40 form an integral part of the Financial Statements

| -sd- | -sd- | -sd- | -sd- |
|---|---|---|---|
| **(R K Thakur)** | **(S. R. Sahoo)** | **(Vibhu Nayar)** | **(Pradeep Singh Kharola)** |
| Dy. Gen. Manager (Fin.)<br>I/c Chief Financial Officer | Company Secretary | Director | Chairman & Managing Director |
| M. No. 42105 | M. No. F5595 | DIN: 3590141 | DIN: 05347746 |

As per our Report of even date attached

**For P D Agrawal & Co.**

Chartered Accountants

Firm Regn. No. 001049C

-sd-

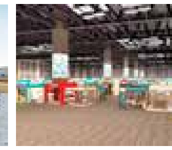
**Sanjeev Agrawal**

Partner

Membership No. 071427

Place: New Delhi

Dated: 31st Oct. 2022



**INDIA TRADE PROMOTION ORGANISATION**
**CONSOLIDATED STATEMENT OF INCOME & EXPENDITURE**
**FOR THE YEAR ENDED 31st MARCH, 2022**

**(Rs. In Lakhs)**

| Particulars | Note No. | Year ended 31st March 2022 | Year ended 31st March 2021 |
|---|---|---|---|
| **Income** | | | |
| Revenue from Operations | 32 | 4,315.46 | 1,290.80 |
| Other Income | 33 | 5,881.68 | 6,286.42 |
| **Total Income** | | **10,197.14** | **7,577.22** |
| **Expenditure** | | | |
| Employee benefits expense | 34 | 8,210.79 | 10,509.54 |
| Depreciation and amortization expense | 35 | 640.64 | 653.23 |
| Finance Cost | 36 | 214.23 | 110.62 |
| Other expenses | 37 | 4,116.96 | 3,809.12 |
| **Total Expenditure** | | **13,182.62** | **15,082.51** |
| **Excess of Income over Expenditure/ (Expenditure over Income) before exceptional items and tax** | | (2,985.48) | (7,505.29) |
| Exceptional Items | 38 | (1,694.92) | - |
| **Excess of Income over Expenditure/ (Expenditure over Income) before tax** | | (4,680.40) | (7,505.29) |
| Tax expense | | - | - |
| **Excess of Income over Expenditure/ (Expenditure over Income) before share of net income of investments accounted for using equity method and tax** | | (4,680.40) | (7,505.29) |
| Add: Share of net income of joint venture accounted for using equity method | | (146.26) | (47.73) |
| **Surplus/ (Deficit) for the year** | | **(4,826.66)** | **(7,553.02)** |
| **Other Comprehensive Income** | | | |
| (i) Items that will not be reclassified to Income & Expenditure: | | | |
| Remeasurement gain/ (loss) on defined benefit plans | | (347.49) | (21.41) |
| Share of Other Comprehensive Income of Joint Venture accounted for using the equity method | | - | (0.37) |
| **Other comprehensive income/ (loss) for the year** | | **(347.49)** | **(21.78)** |
| **Total comprehensive income/ (loss) for the year** | | **(5,174.15)** | **(7,574.80)** |
| **Income attributable to** | | | |
| Owners of Parent | | (5,081.80) | (7,987.26) |
| Non-Controlling Interest | | 255.14 | 434.24 |
| | | **(4,826.66)** | **(7,553.02)** |
| **Other Comprehensive Income attributable to** | | | |
| Owners of Parent | | (347.18) | (22.07) |
| Non-Controlling Interest | | (0.31) | 0.29 |
| | | **(347.49)** | **(21.78)** |
| **Total Comprehensive Income attributable to** | | | |
| Owners of Parent | | (5,428.98) | (8,009.33) |
| Non-Controlling Interest | | 254.83 | 434.53 |
| | | **(5,174.15)** | **(7,574.80)** |
| Earnings per equity share (Face Value of Rs.100/- each) | 39 | | |
| (1) Basic | | (0.20) | (0.32) |
| (2) Diluted | | (0.20) | (0.32) |

'Significant Accounting Policies' and 'Notes'- 1 to 40 form an integral part of the Financial Statements

| | | | |
|---|---|---|---|
| -sd- | -sd- | -sd- | -sd- |
| **(R K Thakur)** | **(S. R. Sahoo)** | **(Vibhu Nayar)** | **(Pradeep Singh Kharola)** |
| Dy. Gen. Manager (Fin.)<br>I/c Chief Financial Officer | Company Secretary | Director | Chairman & Managing Director |
| M. No. 42105 | M. No. F5595 | DIN: 3590141 | DIN: 05347746 |

As per our Report of even date attached
**For P D Agrawal & Co.**
Chartered Accountants
Firm Regn. No. 001049C
-sd-
**Sanjeev Agrawal**
Partner
Membership No. 071427

Place: New Delhi
Dated: 31st Oct. 2022

**INDIA TRADE PROMOTION ORGANISATION**
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**
**FOR THE YEAR ENDED 31st MARCH, 2022**

**A. Equity Share Capital (Refer note. 19)**

(Rs. In Lakhs)

| Particulars | 2021-22 | | 2020-21 | |
|---|---|---|---|---|
| | No. of shares | Amount | No. of shares | Amount |
| Opening Balance | 25,000 | 25.00 | 25,000 | 25.00 |
| Add: Changes in Equity Share Capital due to prior period errors | - | - | - | - |
| Restated balance at the beginning of the year | 25,000 | 25.00 | 25,000 | 25.00 |
| Changes in equity share capital during the year | - | - | - | - |
| **Balance as at end of the year** | **25,000.00** | **25.00** | **25,000.00** | **25.00** |

**B. Other Equity (Refer note 20)**
**For the year ended 31st March 2022**

(Rs. In Lakhs)

| Particulars | Retained Earnings | Capital Reserve | | Total equity attributable to owners of the parent | Non-controlling Interests | Total |
|---|---|---|---|---|---|---|
| | | Promoter's Contribution for KTPO | Others | | | |
| Balance as at 1st April 2021 | 2,24,645.57 | 1,020.00 | 18.10 | 2,25,683.67 | 22,023.67 | 2,47,707.34 |
| Changes in accounting policy or prior period errors | - | - | - | - | - | - |
| **Restated Balance as at 1st April 2021** | **2,24,645.57** | **1,020.00** | **18.10** | **2,25,683.67** | **22,023.67** | **2,47,707.34** |
| Surplus/ (Deficit) for the year | (5,081.80) | - | - | (5,081.80) | 255.14 | (4,826.66) |
| Other Comprehensive Income/(Loss) for the year | (347.18) | - | - | (347.18) | -0.31 | (347.49) |
| **Total Comprehensive Income** | **(5,428.98)** | **-** | **-** | **(5,428.98)** | **254.83** | **(5,174.15)** |
| **Balance as at 31st March 2022** | **2,19,216.59** | **1,020.00** | **18.10** | **2,20,254.69** | **22,278.50** | **2,42,533.19** |

**For the year ended 31st March 2021** **(Rs. In Lakhs)**

| Particulars | Retained Earnings | Capital Reserve | | Total equity attributable to owners of the parent | Non-controlling Interests | Total |
|---|---|---|---|---|---|---|
| | | Promoter's Contribution for KTPO | Others | | | |
| Balance as at 1st April 2020 | 2,32,660.20 | 1,020.00 | 18.10 | 2,33,698.30 | 21,589.39 | 2,55,287.69 |
| Changes in accounting policy or prior period errors | -5.30 | | | -5.30 | -0.25 | -5.55 |
| **Restated Balance as at 1st April 2020** | **2,32,654.90** | **1,020.00** | **18.10** | **2,33,693.00** | **21,589.14** | **2,55,282.14** |
| Surplus/ (Deficit) for the year | (7,987.26) | - | - | (7,987.26) | 434.24 | (7,553.02) |
| Other Comprehensive Income/(Loss) for the year | (22.07) | - | - | (22.07) | 0.29 | (21.78) |
| **Total Comprehensive Income** | **(8,009.33)** | **-** | **-** | **(8,009.33)** | **434.53** | **(7,574.80)** |
| **Balance as at 31st March 2021** | **2,24,645.57** | **1,020.00** | **18.10** | **2,25,683.67** | **22,023.67** | **2,47,707.35** |

'Significant Accounting Policies' and 'Notes'- 1 to 40 form an integral part of the Financial Statements

-sd-
**(R K Thakur)**
Dy. Gen. Manager (Fin.)
I/c Chief Financial Officer
M. No. 42105

-sd-
**(S. R. Sahoo)**
Company Secretary
M. No. F5595

-sd-
**(Vibhu Nayar)**
Director
DIN: 3590141

-sd-
**(Pradeep Singh Kharola)**
Chairman & Managing Director
DIN: 05347746

As per our Report of even date attached
**For P D Agrawal & Co.**
Chartered Accountants
Firm Regn. No. 001049C

-sd-
**Sanjeev Agrawal**
Partner
Membership No. 071427

Place: New Delhi
Dated: 31st Oct. 2022

**INDIA TRADE PROMOTION ORGANISATION**

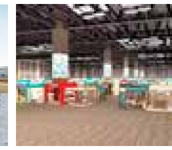
**CONSOLIDATED CASH FLOWS STATEMENT**

**FOR THE YEAR ENDED 31st MARCH, 2022**

**(Rs. In Lakhs)**

| | Particulars | Year ended 31st March 2022 | | Year ended 31st March 2021 | |
|---|---|---|---|---|---|
| **A)** | **Cash flows from operating activities** | | | | |
| | Excess of Income over Expenditure/ (Expenditure over Income) before tax | | (4,826.66) | | (7,553.02) |
| | **Adjustments for:** | | | | |
| | Other Comprehensive Income | (347.49) | | (21.78) | |
| | Interest & Dividend Income | (2,148.34) | | (3,529.91) | |
| | Provisions/ Write off | 135.58 | | 466.22 | |
| | Provisions/Liabilities no longer required, written back | (270.46) | | (111.09) | |
| | Amortisation of Government grant | (81.76) | | (81.76) | |
| | (Profit)/ loss on sale of PPE (net) | (7.92) | | 11.11 | |
| | Fair value (gain)/ loss on Financial Investments | (11.41) | | (32.64) | |
| | Interest on lease | 95.00 | | 99.84 | |
| | Depreciation and amortization | 640.64 | | 653.23 | |
| | Share of Net (profit)/ loss of Joint Venture & Associates | 146.26 | | 48.10 | |
| | Foreign exchange (gain)/loss | 1.87 | (1,848.03) | (3.48) | (2,502.16) |
| | **Operating Profit before working capital changes (a)** | | **(6,674.69)** | | **(10,055.18)** |
| | | | | | **(9,790.21)** |
| | **Less: Net Increase/ (decrease) in Working Capital:** | | | | |
| | Increase (Decrease) in Non-Current Financial Loans | (140.91) | | (310.47) | |
| | Increase (Decrease) in Non-Current Tax Assets | (9,043.77) | | (12,821.22) | |
| | Increase (Decrease) in Other Non-Current Assets | (1,677.51) | | 2,100.55 | |
| | Increase (Decrease) in Bank Balance | 554.22 | | 205.33 | |
| | Increase (Decrease) in Trade Receivables | (65.95) | | (546.88) | |
| | Increase (Decrease) in Current Financial Loans | (263.13) | | 101.41 | |
| | Increase (Decrease) in Other Financial Assets | 2,822.59 | | (9,390.95) | |
| | Increase (Decrease) in Current Tax Assets | 1,086.23 | | (151.09) | |
| | Increase (Decrease) in Other Current Assets | 722.58 | | 3.45 | |
| | (Increase) Decrease in Non-Current Provisions | (178.97) | | 208.37 | |
| | (Increase) Decrease in Other Non-Current Liabilities | 120.84 | | 89.19 | |
| | (Increase) Decrease in trade and other payables | 179.77 | | 933.61 | |
| | (Increase) Decrease in Lease Liability | (70.89) | | (75.74) | |
| | (Increase) Decrease in other financial liabilities | (791.11) | | (794.09) | |
| | (Increase) Decrease in Current Provisions | (796.24) | | (20.59) | |
| | (Increase) Decrease in other current liabilities | (2,370.84) | | (195.09) | |
| | Provisions/ Write off | 135.58 | | 466.22 | |
| | Provisions/Liabilities no longer required, written back | (270.46) | | (111.09) | |
| | Net Increase/ (decrease) in Working Capital (b) | | (10,047.97) | | (20,309.08) |
| | **Cash flow from/ (in) Operating Activities (a-b)** | | **3,373.28** | | **10,253.90** |
| | Less: Income taxes paid | | - | | - |
| | **Net cash flow from/ (in) Operating Activities [A]** | | **3,373.28** | | **10,253.90** |
| **B)** | **Cash flows from investing activities** | | | | |
| | Interest & Dividend Income | | 2,148.34 | | 3,529.91 |
| | Advance For IECC Project | | (13,524.57) | | (17,209.79) |
| | Cash flow from project under trial | | 4,575.01 | | - |
| | Acquisition of PPE/ Other Intangible assets | | (25.71) | | (64.63) |
| | Investment In CWIP | | (5,400.60) | | (3,602.72) |
| | Sale of PPE | | 12.40 | | 18.03 |
| | Investment in Long term deposits and Mutual Funds | | 789.97 | | (799.18) |
| | **Net cash flow from/ (in) Investing Activities [B]** | | **(11,425.17)** | | **(18,128.38)** |





| | | | |
|---|---|---|---|
| **C)** | **Cash flows from financing activities** | | |
| | Proceeds from borrowings | 8,965.82 | 10,403.93 |
| | Grant received | - | - |
| | Interest earned on DSRA | 24.47 | 18.02 |
| | Interest cost | (2,850.27) | (2,320.08) |
| | Finance Cost on lease | (95.00) | (99.84) |
| | **Net cash flow from Financing Activities [C]** | **6,045.02** | **8,002.03** |
| **D)** | (Gain)/ Loss on translation of foreign currency | **(1.87)** | **3.48** |
| | **Net Increase / Decrease in Cash and Cash equivalents [A+B+C+D]** | **(2,008.73)** | **131.03** |
| | Cash and cash equivalents at the beginning of the year | 5,274.70 | 5,143.67 |
| | Cash and Cash Equivalents at the end of the year | **3,265.97** | **5,274.70** |
| | **Components of Cash and Cash Equivalents at the end of the year** | | |
| | Cash in Hand and Cash equivalents (Refer note 1) | 0.71 | 0.68 |
| | Balance with Banks - in Current & Saving Accounts | 3,265.26 | 5,274.02 |
| | | **3,265.97** | **5,274.70** |

**Note:-**

1. Cash and Cash equivalents include Cash in hand, Drafts/Cheques in hand, Postage Imprest, Bank Balances, Deposits with Banks and Short term Investments with an original maturity of 3 months or less, if any.

2. The above Cash Flow Statement has been prepared under the “Indirect Method” as set out in the Indian Accounting Standard (Ind AS-7) - Statement of Cash Flow.

'Significant Accounting Policies' and 'Notes'- 1 to 40 form an integral part of the Financial Statements

| -sd- | -sd- | -sd- | -sd- |
|---|---|---|---|
| **(R K Thakur)** | **(S. R. Sahoo)** | **(Vibhu Nayar)** | **(Pradeep Singh Kharola)** |
| Dy. Gen. Manager (Fin.)<br>I/c Chief Financial Officer | Company Secretary | Director | Chairman & Managing Director |
| M. No. 42105 | M. No. F5595 | DIN: 3590141 | DIN: 05347746 |

As per our Report of even date attached

**For P D Agrawal & Co.**

Chartered Accountants

Firm Regn. No. 001049C

-sd-

**Sanjeev Agrawal**

Partner

Membership No. 071427

Place: New Delhi

Dated: 31st Oct. 2022

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022**

## 1. GROUP INFORMATION

India Trade Promotion Organisation (the Holding Company) was incorporated in India under Section - 8 of the Companies Act, 2013 (erstwhile section 25 of the Companies Act, 1956) on 30.12.1976 under the name and style Trade Fair Authority of India (TFAI) with the main object of promoting India's trade primarily through the medium of organizing trade fairs and exhibitions in India and abroad. Subsequent to the merger of erstwhile Trade Development Authority of India with TFAI on 01.01.1992, the merged Organisation was renamed as India Trade Promotion Organisation (ITPO) and approved by Registrar of Companies on 16.04.1992. The Company is the apex trade promotion body of the Government of India and functions under the administrative control of the Department of Commerce in the Ministry of Commerce and Industry. The registered office of the company is located at Pragati Bhawan, Pragati Maidan New Delhi-110001 with offices in various states in India and is domiciled in India.

The Holding Company has three subsidiary companies i.e. Tamilnadu Trade Promotion Organisation (TNTPO), Karnataka Trade Promotion Organisation (KTPO) and ITPO Services Limited (ISL), a Jointly Controlled entity National Centre for Trade Information (NCTI) and an Associate entity Jammu & Kashmir Trade Promotion Organisation (JKTPO). The accompanying Consolidated financial statements relate to India Trade Promotion Organisation (ITPO) and its three subsidiary companies (together referred as “The Group”), a Jointly Controlled entity and an Associate entity.

The financial statements for the year ended March 31, 2022 were approved by the Board of Directors on 31st Oct. 2022.

## 2. SIGNIFICANT ACCOUNTING POLICIES

### 2.1 Statement of Compliance and Basis of Preparation

**a. Compliance with Indian Accounting Standards (Ind-AS)**

The consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (‘Ind AS’) notified under Section 133 of the Companies Act, 2013 (the ‘Act’) read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time and other relevant provisions of the Companies Act, 2013.

The consolidated financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the consolidated financial statements. All the assets and liabilities have been classified as current and non-current as per the Group’s normal operating cycle and other criteria as set out in Division II of Schedule III to the Companies Act, 2013.

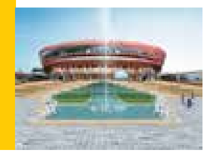
**b. Historical Cost Convention**

The consolidated financial statements have been prepared on a historical cost basis, except certain financial assets and financial liabilities which are measured at fair value:

- Certain financial assets and liabilities measured at fair value.

- Plan assets of defined employee benefit plans.

The methods used to measure fair values are discussed in Notes to accounts.





**c. Functional and presentation currency**

The consolidated financial statements are prepared in Indian Rupees ('Rs.'), which is the Group's functional and presentation currency. All financial information presented in Indian Rupees has been rounded to the nearest lakh with two decimal places, unless stated otherwise.

**d. Current versus non-current classification**

The Group presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is classified as current when it is: -

- expected to be realized, or intended to be sold or consumed in normal operating cycle;

- held primarily for the purpose of trading;

- expected to be realized within 12 months after the reporting period; or

- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current when it is:

- expected to be settled in the normal operating cycle;

- held primarily for the purpose of trading;

- due to be settled within 12 months after the reporting date; or

- there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting date.

All other liabilities are classified as non-current.

**Operating Cycle:**

The operating cycle is the time period between acquisition of assets for processing and their realization in cash and cash equivalent. The Group has identified twelve months as its operating cycle.

**e. Use of estimates and judgments**

The preparation of the consolidated financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosure and the disclosure of contingent liabilities. Uncertainty about these estimates and assumptions could result in outcomes that require material adjustments to the carrying amount of the assets and liabilities in future period(s).

These estimates and assumptions are based on the facts and events, that existed as at the date of Balance Sheet, or that occurred after that date but provide additional evidence about conditions existing as at the Balance Sheet date.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are given below:

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022**

**i. Useful lives of Property Plant and Equipment (PPE)**

The Property, Plant and Equipment are depreciated on a pro-rate basis on straight line basis over their respective useful lives. Management estimates the useful lives of these assets are not higher than the useful lives & residual value prescribed in Schedule II of the Companies Act, 2013. Changes in the expected level of usage, technological developments, level of wear and tear could impact the economic useful lives and the residual values of these assets, therefore, future depreciation charges could be revised and could have an impact on the profit in future years.

**ii. Retirement Benefit obligation**

The cost of retirement benefits and present value of the retirement benefit obligations in respect of Gratuity and Leave Encashment is determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, these retirement benefit obligations are sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Details about the assumptions used, including a sensitivity analysis are given in Notes to accounts.

**iii. Fair value measurement of financial instrument**

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

**iv. Impairment of Financial assets**

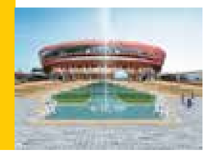
The impairment provisions of financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Impairment for doubtful debts/ advances is made in respect of dues, including Government Dues, outstanding for more than three financial years, or otherwise, except cases where the Group is hopeful of recovery.

**v. Impairment of non-financial assets**

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An assets recoverable amount is the higher of an asset's fair value less cost of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, or other fair value indicators.





**f. Basis of Consolidation**

The financial statements of Subsidiary Companies, Joint venture and Associate are drawn up to the same reporting date as of the Holding Company for the purpose of consolidation.

**Subsidiaries**

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Non-controlling interests (NCI) in the results and equity of subsidiaries are shown separately in the consolidated statement of Income & Expenditure, consolidated statement of changes in equity and consolidated balance sheet respectively. NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

A change in the ownership interest of a subsidiary, without loss of control, is accounted for as an equity transaction.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in income and expenditure.

**Joint Ventures**

A joint venture is a joint arrangement whereby parties that have joint control of the arrangement have rights to the net assets of the arrangement. Interests in joint ventures are initially recognised at cost and thereafter accounted for using the equity method.

**Associates**

An Associate is an entity over which the investor has significant influence.

**Equity Method**

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from joint ventures/ associates are recognised as a reduction in the carrying amount of the investment.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its joint ventures/ associates are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The carrying amount of equity accounted as investments are tested for impairment in accordance with the Group's policy.

Any gain or loss on dilution arising on a reduced stake in the joint venture, but still retaining the joint control, is recognized in the Statement of Income & Expenditure.

When the group ceases to apply equity method of accounting for an investment because of a loss of joint control, any retained interest in the entity is re-measured to its fair value with the change in carrying amount recognised in profit or loss. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to income and expenditure.

If the ownership interest in a joint venture is reduced but joint control is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to income and expenditure where appropriate.

**2.2. PROPERTY, PLANT AND EQUIPMENT (PPE)**

An item of Property, Plant & Equipment is recognized as an asset, if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Property, Plant & Equipment are accounted for on historical cost basis (inclusive of the cost of installation/ acquisition/ construction and other incidental costs till completion of the installation/ acquisition/ construction of the item) net of recoverable taxes, less accumulated depreciation and impairment loss, if any. In cases where final settlement of bill/ invoice of any contractor/ executing agency is pending, but the asset is complete and available for use, capitalisation is done on the basis of contract awarded/ statement of account/ utilisation certificate subject to the necessary adjustments, including those arising out of settlement of arbitration/court cases.

Subsequent costs are added to the existing asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Income and Expenditure during the period in which they are incurred.

Gains or losses arising on retirement or disposal of property, plant and equipment are recognized in the Statement of Income and Expenditure.

Depreciation is charged to Statement of Income & Expenditure on straight-line basis over the estimated useful life of an asset estimated by the management, in the manner prescribed in Schedule II of the Companies Act, 2013. The useful lives in the following cases are different from those prescribed in Schedule II of the Companies Act, 2013.

| Asset | Useful life as per Schedule II of the Companies Act, 2013 (No. of Years) | Useful life as assessed / estimated by the Group (No. of Years) |
|---|---|---|
| Buildings | 60 | (in case of ITPO)<br>A- Permanent: 40<br>B- Semi-permanent: 20<br>C- Temprorary:10<br><br>30 (in case of TNTPO & KTPO) |
| Plant & Machinery | 15 | 15/10 |
| Vehicles | 8 | 5 |

Based on usage pattern and internal assessment, the management believes that the useful lives as given above best represent the period over which the management expects to use these assets.

The property, plant and equipment costing up to Rs. 5,000/-each are fully depreciated during the year of addition.

In case of additions to/ deductions from assets, depreciation is charged on pro-rata basis from/ up to the month (day basis in case of KTPO) in which the asset is available for use/ disposal.

**2.3. CAPITAL WORK-IN-PROGRESS**

Property, Plant and Equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as “Capital work-in-progress”. Net income or expenditure during pre-commissioning/ trials is adjusted in the cost of related assets.

In cases where final settlement of bills with contractors/ executing agency is pending, Cost/ Expenditure are recognised as CWIP on the basis of contract awarded/ statement of accounts/ utilisation certificate subject to necessary adjustments, including those arising out of settlement of arbitration/court cases.

**2.4. INTANGIBLE ASSETS**

Intangible assets are measured on initial recognition at cost. After initial recognition, intangible assets are carried at cost less accumulated amortisation and impairment losses, if any.

An item of Intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of Income & Expenditure.

Intangible assets are fully amortised equally over the period of legal right to use. Where the period of legal right to use is not available, the assets are amortised over three financial years, from the year in which the asset is available for use.
In case of KTPO, the cost of softwares acquired or developed internally are written off equally over a period of three year in which the software is available for use.

**2.5. IMPAIRMENT OF NON-FINANCIAL ASSETS**

The Group assesses, at each reporting date, using external and internal sources, whether there is an indication that a non-financial asset may be impaired and also whether there is an indication of reversal of impairment loss recognised in the previous period(s). If any indication exists, or when annual impairment testing for an asset is required, the Group determines the recoverable amount and impairment loss is recognised when the carrying value of an asset exceeds its recoverable amount.

The recoverable amount is determined:

- in the case of an individual asset, at the higher of the asset’s fair value less cost of sell and value in use; and

- in the case of cash generating unit (a group of assets that generates identified, independent cash flows) at the higher of the cash generating unit’s fair value less cost to sell and value in use.

In assessing value in use, estimated future cash flows are discounted to their present value using a pre-tax discount rate that effects current market assessments of the time value of money and the risks specific to that asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

An impairment loss for an asset is reversed, if and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized, the carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss being recognized for the asset in prior year/s.

## 2.6. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash on hand, drafts/cheques on hand, bank balances, deposits with banks and short term investments, which are short-term (three months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

## 2.7. INVENTORIES

Inventories are valued at lower of the cost or net realizable value. Obsolete, defective and unserviceable stocks are provided for, wherever required.

## 2.8. FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions are recorded at the average rate of remittances. Monetary assets and liabilities in foreign currency existing at balance sheet date are translated at the year-end exchange rates. Exchange rate differences arising on settlement of transaction and translation of monetary items are recognized as income or expenses in the year in which they arise.

Non- monetary items that are measured in terms of historical cost in foreign currency are translated using the average rate of remittances. In case previous funds are utilised, average rate of the previous remittance(s) is taken for the purpose of conversion.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

## 2.9. FAIR VALUE MEASUREMENT

In determining the fair value of financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices, etc. All methods of assessing fair value result in general approximation of value, and such value may not actually be realized.

For financial assets and liabilities maturing within one year from the Balance Sheet date are not carried at fair value, due to the short maturity of these instruments.



## 2.10. FINANCIAL INSTRUMENTS

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**(i) Financial Assets**

**(a) Initial recognition and measurement**
At initial recognition, all financial assets are recognized at its fair value plus, in the case of a financial asset not carried at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in Statement of income and expenditure.

**(b) Classification and subsequent measurement**
For the purpose of subsequent measurement, financial assets are classified in the following categories:

1. Financial assets measured at amortized cost;
2. Financial assets measured at fair value through other comprehensive income (FVTOCI); and
3. Financial assets measured at fair value through profit and loss (FVTPL)

Where financial assets are measured at fair value, gains and losses are either recognized entirely in the Statement of Income and expenditure (i.e. fair value through profit and loss), or recognized in other comprehensive income (i.e. fair value through Other Comprehensive Income).

The classification of financial assets depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows. Management determines the classification of its financial assets at initial recognition.

**(1) Financial assets measured at amortized cost:**

A financial asset is measured at amortized cost if both the following conditions are met:

- Business Model Test: The objective of the business model is to hold financial asset in order to collect contractual cash flows (rather than to sell the asset prior to its financial maturity to realize its fair value changes); and

- Cash Flow Characteristics Test: Contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. The EIR amortization is included in interest income in the statement of income and expenditure. The losses arising from impairment are recognized in the statement of income and expenditure. This category generally applies to employee loans and other loans/ advances having specified terms etc.

**(2) Financial instruments measured at Fair Value Through Other Comprehensive Income (FVTOCI):**

A financial instrument shall be measured at fair value through other comprehensive income if both of the following conditions are met:

- Business Model Test: The objective of the business model is achieved by both collecting contractual cash flows and selling financial assets; and

- Cash Flow Characteristics Test: The Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on principal amount outstanding.

Financial instruments included within FVTOCI category are measured initially as well as at each reporting period at fair value. Fair value movements are recognized in Other Comprehensive Income (OCI) except for the recognition of interest income, impairment gains and losses and foreign exchange gain and losses which are recognized in the Statement of Income and Expenditure.

(3) **Fair Value through Income & Expenditure** is a residual category. Any financial instrument, which does not meet the criteria for categorization as at amortized cost or fair value through other comprehensive income is classified as FVTPL. Financial instruments included in FVTPL category are measured initially as well as at each reporting period at fair value. Fair value movements i.e. gain or loss and interest income are recorded in Statement of Income and Expenditure.

**(c) Impairment of financial assets**

The Group assesses impairment based on expected credit losses (ECL) model to the following:

- Financial Assets measured at amortized cost;

- Financial Assets measured at FVTOCI.

Expected credit losses are measured through a loss allowance at an amount equal to:

- the 12 months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

- full lifetime expected credit losses (expected credit losses that result from all possible defaults events over the life of the financial instrument).

The Group follows 'simplified approach' for recognition of impairment loss allowance on:

- Financial assets that are debt instruments, and are measured at amortized cost i.e. trade receivables, deposits with banks and employee loans and other loans/ advances having specified terms etc.

- Financial assets that are debt instruments, and are measured at FVTOCI.

Under the simplified approach, the Group does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The trade receivables are initially recognized at the sale/recoverable value and are assessed at each Balance sheet date for collectability. Trade receivables are classified as current assets, if collection is expected within twelve months as at Balance Sheet date, if not, they are classified under non-current assets.

Impairment for doubtful receivables is made in respect of dues, including Government Dues, outstanding for more than three financial years, or otherwise, except cases where the Group is hopeful



of recovery.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12 months (Expected Credit Loss) ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Group reverts to recognizing impairment loss allowance based on 12-months ECL.

For assessing increase in credit risk and impairment loss, the Group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on timely basis.

**(d) Derecognition of financial assets**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's Balance Sheet) when:

a. The rights to receive cash flows from the asset have been expired/transferred, or

b. The Group retains the contractual right to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Group has transferred an asset, it evaluates whether it has substantially transferred all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. When the Group has not transferred substantially all the risks and rewards of ownership of a financial asset, the financial asset is not derecognized.

Where the Group has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Group has not retained control of the financial asset. When the Group retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

**(ii) Financial Liabilities**

**(a) Initial recognition and measurement**

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade payables, borrowings, security deposits and other payables.

**(b) Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

**Financial Liabilities at Fair Value through Profit or Loss (FVTPL)**

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognized in the income and expenditure.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in IND AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in Other Comprehensive Income. These gains/ losses are not subsequently transferred to Statement of Income and Expenditure. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of Income & Expenditure.

**Borrowings & Security Deposits**

Any difference between the proceeds (net of transaction costs) and the repayment amount is recognized as Income & Expenditure over the period of the liability and subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in the Statement of Income & Expenditure when the liabilities are derecognized as well as through the EIR amortization process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Income & Expenditure.

**Trade and other payables**

Trade and other payables are obligations incurred by the Group towards purchase of raw material and other goods and availing the services that have been acquired or availed in the ordinary course of business. Trade and other payables are classified under current liabilities, if payment is due within 12 months as at Statement of Financial Position date, if not, they are classified under non-current liabilities. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

**(c) Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Income and Expenditure.

*Since the Company is incorporated under Section 8 of the Companies Act, 2013, it prepares a Statement of Income & Expenditure as per Section 2(40). Hence, for the purpose of complying with Ind AS, FVTPL- Fair Value through Profit & Loss Account (wherever mentioned) would mean Fair Value through Statement of Income & Expenditure.

## 2.11. REVENUE RECOGNITION

a) Group recognizes Revenue from Contracts with Customers based on five step process as set out in Ind AS-115:

(i) Identify contracts with a customer: - A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

(ii) Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

(iii) Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.



(iv) Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

(v) Recognise revenue when or as the Group satisfies a performance obligation by transferring a promised goods or services to a customer. An asset is transferred when the customer obtains control of that asset.

b) The performance obligation is satisfied and recognized as revenue overtime, if one of the following criteria is met:

(i) The performance does not create assets with an alternate use and has an enforceable right to payment for performance completed to date.

(ii) The performance creates or enhances an asset that the customer controls as the asset is created or enhanced.

(iii) The customer simultaneously receives and consumes the benefits provided.

c) For performance obligations where one of the above conditions are not met, revenue is recognized at the point in time at which the performance obligation is satisfied. When performance obligation is satisfied by delivering the promised goods or services it creates a contract-based asset on the amount of consideration earned by the performance. Where the amount of consideration received from a customer exceeds the amount revenue recognized this give rise to a contract liability

d) Revenue is recognized to the extent it is probable that the economic benefits will flow and the revenue and costs if applicable can be measured reliably.

e) Income and Expenditure in respect of Fairs/ Exhibitions held in India and abroad, is accounted for in the year in which the event commences. However, in case of long-term events having duration of three months or more, spread over two accounting periods, major period of which falls in the subsequent accounting period, the income & expenditure of such event is accounted for in the year in which the event concludes.

It is measured at fair value of the consideration received or receivable, after deduction of discounts/ rebates and any taxes or duties collected on behalf of the government which are levied such as Goods and Service Tax.

f) Revenue from rentals and operating leases is recognized on accrual basis in accordance with the substance of the relevant agreement.

g) Cost of exhibits of the Group and items of interior decoration displayed at fairs, are treated as revenue expenditure. However, new exhibits in stock for utilization in future fairs are treated as closing stock.

h) Expenditure incurred through agencies like CPWD/ NBCC on Civil, Electrical, Horticulture, etc. is accounted for on the basis of statements/accounts/ utilisation certificates rendered by them.

i) In cases where contracts with licensee(s) have expired, dues are accounted for provisionally on the basis of expired contracts/revised accords till final decision in the matter is reached/ revised contracts are executed.

j) Claims for liquidated damages from contractors for delayed execution of work is recognised as Income, when the amount is finally determined and agreed upon.

k) Subscription fees from associate subscribers and service charges from regular subscribers are recognised on receipt basis. However, subscription fee received in advance is accounted for in the relevant year for which it pertains.

l) Dividend income is recognised in the Statement of Income & Expenditure when the right to receive dividend is established.

m) Interest income is recognized on time proportion basis taking into account the amount outstanding and applicable interest rates.

**2.12.** Income and Expenditure relating to earlier years, not exceeding Rs.10,000 in each case, are treated as pertaining to current year.

**2.13. GOVERNMENT GRANTS**

Government grants are recognized with deferred income approach when there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant.

Grants that compensate the Group for expenses incurred are recognized as income in the period in which the related costs are incurred.

Grants in the nature of promoter's contribution is recognised in appropriate category under Other Equity.

**2.14. BORROWING COSTS**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying tangible assets that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Capitalisation of borrowing cost ceases when substantially all the activities necessary to prepare the qualifying tangible assets for their intended use are complete.

**2.15. EMPLOYEE BENEFITS**

a. Short Term Employee Benefits

All Employee benefits payable within twelve months of rendering the services are classified as short-term benefits. Such benefits include salaries, wages, bonus, awards, ex-gratia, performance incentive/pay etc. and the same are recognized in the period in which the employee renders the related services.

b. Post-Employment Benefits

i. Defined contribution plan:

The Group's approved provident fund scheme and employees' pension scheme are defined contribution plans. The Group has no obligation, other than the contribution paid/payable under such schemes to separate trusts, which invests the fund in permitted securities. The contribution paid/payable under the schemes is recognized during the period in which the employee renders the related service. The Group is also under obligation to make good the accumulated shortfall of the trusts, if any, and recognise such



shortfall as its expense.

ii. Defined benefit plan

The employees' gratuity fund scheme (funded) and the employees leave encashment (unfunded) are the Group's defined benefit plans. The present value of the obligation under such defined benefit plans is determined based on the actuarial valuation on projected unit credit method as at the balance sheet date. Gratuity, in case of ITPO, is funded through a separate ITPO Employees Group Gratuity Trust which manages the affairs of the trust. Re-measurement, comprising of actuarial gains and losses, are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to Statement of Income and Expenditure in subsequent periods. The Group is also under obligation to make good the accumulated shortfall of the gratuity trust, if any, and recognise such shortfall as its expense.

c. Termination Benefits

The expenses incurred on terminal benefits in the form of ex-gratia payments and notice pay on voluntary retirement schemes are charged to the Statement of Income and Expenditure in the year of incurrence of such expenses.

## 2.16. PROVISIONS AND CONTINGENT ASSETS & LIABILITIES

### a) Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation, at the balances sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

### b) Contingent Liabilities

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence of one or more future events not wholly within the control of the Group. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as contingent liability, unless the probability of outflow of economic benefit is remote. Contingent liabilities are disclosed on the basis of judgment of management/independent experts. These are reviewed at each Balance Sheet date and are adjusted to reflect the current management estimate.

### c) Contingent Assets

Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgment of management. These are assessed continually to ensure that developments are appropriately reflected in financial statements.

**2.17. EARNING PER SHARE**

Basic earnings per share is calculated by dividing net surplus/ deficit of the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**2.18. SEGMENT REPORTING**

The operating segments are identified on the basis of internal reports used by the Group's Management to allocate resources and assess their performance for decision making. The Board of Directors is collectively the Group's "chief operating decision maker" or "CODM" within the meaning of Ind AS 108.
The Group has identified two reporting segments namely trade promotion activities in India & abroad.

**2.19. LEASES**

Effective April 1, 2019, the Group adopted Ind AS 116, Leases and applied the standard to all lease contracts existing on April 1, 2019.
All lease contracts where the Group is lessee, with limited exceptions, are recognized in the financial statements by way of right-of-use assets and corresponding lease liabilities. Ind AS 116 defines a lease as a contract that conveys the right to control the use of an identified asset for a period of time in exchange for consideration.
To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

i. the contract involves use of an identified asset,
ii. the Group has substantially all the economic benefits from the use of the asset during the period of the lease and
iii. the Group has the right to direct the use of the asset.

**Group as a lessee**
At the date of commencement of the lease, the Group recognises a right-of-use asset (ROU) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for lease with a term of twelve months or less (i.e. short term leases) and leases for which the underlying asset is of low value. For these short-term leases for which the underlying asset is of low value, the Group recognizes the lease payments on straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the inception date of the lease along with any initial direct costs, restoration obligations and lease incentives received.

Subsequently, the right-of-use assets is measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The Group applies Ind AS 36 to determine whether a ROU asset is impaired and accounts for any identified impairment loss.

The lease liability is initially measured at present value of the lease payments that are not paid at that date.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022**

The interest cost on lease liability is expensed in the Statement of Income and Expenditure.

**Group as a lessor**

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

### 2.20. STANDARD/AMENDMENTS ISSUED BUT NOT YET EFFECTIVE

MCA had issued the Indian Accounting Standards Amendments Rules, 2022 vide notification dated 23rd March 2022.In the Indian Accounting Standards Amendments Rules, 2022, amendments have been made in following standards:

1. First-time Adoption of Indian Accounting Standards (Ind AS-101)
2. Business Combinations (Ind AS-103)
3. Financial Instruments (Ind AS-109)
4. Property, Plant and Equipment (Ind AS-16)
5. Provisions, Contingent Liabilities and Contingent Assets (Ind AS-37)
6. Agriculture (Ind AS-41)

The effective date of these amendments is annual periods beginning on or after 1st April 2022. The Company is currently evaluating the impact of the amendments and expects no material impact on the financial statements.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2022**

**3 Property, Plant and Equipment (As at 31st March, 2022)** **(Rs. In Lakhs)**

| | Description | Useful Life (years) | Gross Block | | | | Depreciation | | | | Net Block | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | As at 1.04.2021 | Additions during the year | Disposal/ adjustments during the year | As at 31.03.2022 | As at 1.04.2021 | For the year | Disposal/ adjustments during the year | As at 31.03.2022 | As at 31.03.2022 | As at 31.03.2021 |
| A. | **PROPERTY, PLANT & EQUIPMENT** | | | | | | | | | | | |
| | **Land** | | | | | | | | | | | |
| | Freehold Land | | 966.96 | - | - | 966.96 | - | - | - | - | 966.96 | 966.96 |
| | **Buildings (on Leasehold Land)** | | | | | | | | | | | |
| | A Class: Permanent | 40 | 1,210.45 | - | 0.01 | 1,210.44 | 370.85 | 47.95 | 0.01 | 418.79 | 791.65 | 839.60 |
| | B Class: Semi-permanent | 20 | 381.28 | - | - | 381.27 | 60.98 | 18.03 | - | 79.01 | 302.26 | 320.30 |
| | C Class: Temporary | 10 | 145.21 | - | - | 145.21 | 49.74 | 10.14 | - | 59.89 | 85.32 | 95.46 |
| | Exhibition Complex | 30 | 1,949.93 | - | - | 1,949.93 | 800.14 | 72.33 | - | 872.48 | 1,077.45 | 1,149.79 |
| | Building - I (RCC) | 30 | 1,028.40 | - | - | 1,028.40 | 278.14 | 72.51 | - | 350.65 | 677.75 | 750.26 |
| | Building - II (Exhi. Halls) | 30 | 2,390.62 | - | - | 2,390.62 | 807.87 | 151.81 | - | 959.69 | 1,430.93 | 1,582.75 |
| | **Buildings- Freehold** | | | | | | | | | | | |
| | Residential/ office flats | 40 | 160.09 | - | - | 160.09 | 36.81 | 6.14 | - | 42.97 | 117.12 | 123.28 |
| | Electric installations/ fittings | 10 | 919.79 | - | 0.01 | 919.78 | 674.68 | 24.19 | - | 698.86 | 220.92 | 245.11 |
| | Water supply & drainage | 10 | 8.63 | - | - | 8.64 | 4.26 | 0.78 | - | 5.05 | 3.59 | 4.36 |
| | **Plant and Machinery** | | | | | | | | | | | |
| | Solar installation | 15 | 110.26 | - | - | 110.26 | 34.13 | 6.98 | | 41.12 | 69.14 | 76.13 |
| | Air conditioning plants | 15 | 1,190.69 | 4.19 | - | 1,194.88 | 459.70 | 83.54 | - | 543.23 | 651.65 | 730.99 |
| | **Furniture & fittings** | | | | | | | | | | | |
| | Furniture & fixture | 10 | 124.68 | 1.25 | 6.10 | 119.82 | 66.05 | 9.53 | 4.47 | 71.12 | 48.70 | 58.62 |
| | Fire hydrant & fire fighting systems | 10 | 6.89 | - | - | 6.89 | 1.33 | 0.05 | - | 1.38 | 5.51 | 5.62 |
| | Vehicles | 5 | 47.19 | 0.33 | 0.23 | 47.29 | 39.03 | 2.40 | - | 41.43 | 5.86 | 8.17 |
| | **Office Equipments** | | | | | | | | | | | |
| | Office equipments/ other miscellaneous assets | 5 | 163.94 | 13.36 | 7.92 | 169.39 | 93.48 | 18.98 | 6.19 | 106.28 | 63.11 | 70.45 |
| | Audio visual equipments | 5 | 147.50 | - | - | 147.50 | 128.22 | - | - | 128.22 | 19.26 | 19.21 |
| | **Computers & Data Processors** | | | | | | | | | | | |
| | Servers & networks | 6 | 38.76 | - | 0.01 | 38.75 | 27.78 | 0.90 | - | 28.68 | 10.06 | 10.97 |
| | Computers, etc. | 3 | 163.64 | 1.45 | 4.28 | 160.83 | 118.33 | 9.95 | 3.35 | 124.92 | 35.90 | 45.30 |
| | **SUB TOTAL** | | **11,154.91** | **20.58** | **18.57** | **11,156.95** | **4,051.54** | **536.21** | **14.02** | **4,573.79** | **6,583.15** | **7,103.37** |

| | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **B.** | **Capital Work In Progress (As at 31st March, 2022)** | | | | | | | | | | |
| | Building Under Construction | 2,904.07 | 2,814.25 | - | 5,718.32 | - | - | - | - | 5,718.32 | 2,904.07 |
| | International Exhibition Cum Convention Centre (IECC) (Refer Note 40.10) | 1,82,577.35 | 16,492.83 | 6,191.86 | 1,92,878.32 | - | - | - | - | 1,92,878.32 | 1,82,577.35 |
| | Expansion Project: Chennai Trade Centre (Refer Note 40.11) | 2,888.34 | 2,892.02 | 320.39 | 5,459.97 | - | - | - | - | 5,459.97 | 2,888.34 |
| | **SUB TOTAL** | **1,88,369.76** | **22,199.10** | **6,512.25** | **2,04,056.61** | **-** | **-** | **-** | **-** | **2,04,056.61** | **1,88,369.76** |
| **C.** | **Right of Use Assets (As at 31st March, 2022)** | | | | | | | | | | |
| | Land: Lease Hold | 1,182.49 | - | - | 1,182.49 | 177.65 | 88.82 | - | 266.47 | 916.02 | 1,004.84 |
| | Building: Leasehold | 197.19 | - | - | 197.19 | 8.78 | 4.39 | - | 13.17 | 184.03 | 188.41 |
| | **SUB TOTAL** | **1,379.68** | **-** | **-** | **1,379.68** | **186.43** | **93.21** | **-** | **279.63** | **1,100.05** | **1,193.26** |

3.1 In case of ITPO, depreciation includes Rs. 1.01 lakhs (Previous Year Rs. 0.46 lakh) in respect of each asset costing up to Rs. 5,000/-, fully depreciated in the year of addition.

3.2 Based on a study carried out by a professional firm, no case of impairment of assets exists as at 31st March, 2022 under the provisions of Ind AS- 36 on impairment of assets.

3.3 In case of ITPO, the physical verification of immovable properties & assets attached thereto at Head office and assets at Regional Offices, have been majorly carried out internally and the same is reconciled. The physical verification of the movable items viz. Furniture & Fixtures and Office Equipments at head office was got done through an external agency. The reconciliation of the movable items viz. Furniture & Fixtures and Office Equipments at head office having WDV of Rs. 53.43 lakhs is under way. The necessary entries for discrepancies, if any, will be recorded in subsequent periods. However, no material discrepancies are expected as per past experience.

3.4 Refer 'para 2.2 & 2.3' of 'Significant Accounting Policies' for the accounting on Property, Plant and Equipment and Capital Work-in-progress

**Ageing Schedule of Capital Work-in-Progress**
**(As at 31st March, 2022)** **(Rs. In Lakhs)**

| | Amount in CWIP for a period of | | | | |
|---|---|---|---|---|---|
| | **Less than 1 year** | **1-2 years** | **2-3 years** | **More than 3 years** | **Total** |
| Projects in progress | 12,817.03 | 22,835.00 | 35,297.44 | 1,33,107.14 | 2,04,056.61 |
| Projects temporarily suspended | - | - | - | - | - |

**CWIP Completion Schedule for delayed projects**
**(As at 31st March, 2022)** **(Rs. In Lakhs)**

| | To be completed in | | | | |
|---|---|---|---|---|---|
| | **Less than 1 Year** | **1-2 years** | **2-3 years** | **More than 3 years** | **Total** |
| Building Under Construction | 5,718.32 | - | - | - | 5,718.32 |
| IECC- Delhi | 1,92,878.32 | - | - | - | 1,92,878.32 |

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31st. 2022**

**3 Property, Plant and Equipment (As at 31st March, 2021)** **(Rs. In Lakhs)**

| | Description | Useful Life (years) | Gross Block | | | | Depreciation | | | | Net Block | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | As at 1.04.2020 | Additions during the year | Disposal/ adjustments during the year | As at 31.03.2021 | As at 1.04.2020 | For the year | Disposal/ adjustments during the year | As at 31.03.2021 | As at 31.03.2021 | As at 31.03.2020 |
| A. | **PROPERTY, PLANT & EQUIPMENT** | | | | | | | | | | | |
| | **Land** | | | | | | | | | | | |
| | Freehold Land | | 966.96 | - | - | 966.96 | - | - | - | - | 966.96 | 966.96 |
| | **Buildings (on Leasehold Land)** | | | | | | | | | | | |
| | A Class: Permanent | 40 | 1,210.43 | - | - | 1,210.43 | 322.89 | 47.95 | - | 370.84 | 839.59 | 887.54 |
| | B Class: Semi-permanent | 20 | 381.28 | - | - | 381.28 | 42.53 | 18.45 | - | 60.98 | 320.30 | 338.74 |
| | C Class: Temporary | 10 | 145.21 | - | - | 145.21 | 35.14 | 14.60 | - | 49.75 | 95.46 | 110.06 |
| | Exhibition Complex | 30 | 1,949.93 | - | - | 1,949.93 | 727.80 | 72.33 | - | 800.15 | 1,149.78 | 1,222.13 |
| | Building - I (RCC) | 30 | 1,028.40 | - | - | 1,028.40 | 205.63 | 72.51 | - | 278.14 | 750.26 | 822.77 |
| | Building - II (Exhi. Halls) | 30 | 2,390.62 | - | - | 2,390.62 | 656.06 | 151.81 | - | 807.88 | 1,582.74 | 1,734.56 |
| | **Buildings- Freehold** | | | | | | | | | | | |
| | Residential/ office flats- free hold | 40 | 160.09 | - | - | 160.09 | 30.67 | 6.14 | - | 36.83 | 123.26 | 129.42 |
| | **Electric installations/ fittings** | 10 | 919.47 | 0.31 | - | 919.78 | 645.89 | 28.79 | - | 674.67 | 245.11 | 273.58 |
| | **Water supply & drainage** | 10 | 8.64 | - | - | 8.64 | 3.50 | 0.78 | - | 4.28 | 4.36 | 5.14 |
| | **Plant and Machinery** | | | | | | | | | | | |
| | Solar installation | 15 | 110.26 | - | - | 110.26 | 27.15 | 6.98 | | 34.14 | 76.12 | 83.11 |
| | Air conditioning plants | 15 | 1,250.31 | 0.75 | 60.37 | 1,190.69 | 425.19 | 83.54 | 49.03 | 459.69 | 731.00 | 825.12 |
| | **Furniture & fittings** | | | | | | | | | | | |
| | Furniture & fixture | 10 | 123.48 | 1.52 | 0.32 | 124.67 | 56.35 | 9.99 | 0.28 | 66.06 | 58.61 | 67.13 |
| | Fire hydrant & fire fighting systems | 10 | 6.89 | - | - | 6.89 | 1.28 | 0.05 | - | 1.33 | 5.56 | 5.67 |
| | **Vehicles** | 5 | 47.22 | - | 0.03 | 47.19 | 33.44 | 5.59 | - | 39.03 | 8.16 | 13.78 |
| | **Office Equipments** | | | | | | | | | | | |
| | Office equipments/ other miscellaneous | 5 | 190.28 | 15.36 | 41.69 | 163.96 | 99.89 | 21.22 | 27.63 | 93.50 | 70.46 | 90.40 |
| | Audio visual equipments | 5 | 149.94 | - | 2.44 | 147.50 | 130.24 | - | 2.02 | 128.22 | 19.26 | 19.64 |
| | **Computers & Data Processors** | | | | | | | | | | | |
| | Servers & networks | 6 | 38.76 | - | - | 38.76 | 26.89 | 0.90 | - | 27.78 | 10.97 | 11.87 |
| | Computers, etc. | 3 | 148.47 | 20.16 | 4.99 | 163.64 | 112.58 | 7.52 | 1.76 | 118.32 | 45.32 | 35.89 |

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| **SUB TOTAL** | **11,226.64** | **38.10** | **109.85** | **11,154.91** | **3,583.12** | **549.14** | **80.72** | **4,051.59** | **7,103.30** | **7,643.52** |
| **B. Capital Work In Progress (As at 31st March, 2021)** | | | | | | | | | | |
| Building Under Construction | 1,164.71 | 1,739.36 | - | 2,904.07 | - | - | - | - | 2,904.07 | 1,164.71 |
| International Exhibition Cum Convention Centre (Refer Note 40.10) | 1,66,196.39 | 17,530.43 | 1,149.47 | 1,82,577.35 | - | - | - | - | 1,82,577.35 | 1,66,196.39 |
| Expansion Project: Chennai Trade Centre (Refer Note 40.11) | 1,043.49 | 1,899.92 | 55.07 | 2,888.34 | - | - | - | - | 2,888.34 | 1,043.49 |
| **SUB TOTAL** | **1,68,404.59** | **21,169.71** | **1,204.54** | **1,88,369.76** | **-** | **-** | **-** | **-** | **1,88,369.76** | **1,68,404.59** |
| **C. Right of Use Assets (As at 31st March, 2021)** | | | | | | | | | | |
| Land: Lease Hold | 1,182.49 | - | - | 1,182.49 | 88.82 | 88.82 | - | 177.65 | 1,004.84 | 1,093.67 |
| Building: Leasehold | 197.19 | - | - | 197.19 | 4.39 | 4.39 | - | 8.78 | 188.41 | 192.80 |
| **SUB TOTAL** | **1,379.68** | **-** | **-** | **1,379.68** | **93.21** | **93.21** | **-** | **186.42** | **1,193.26** | **1,286.47** |

3.1 In case of ITPO, Depreciation includes Rs. 0.46 lakh (Previous Year Rs. 0.57 lakh) in respect of each asset costing up to Rs. 5,000/-, fully depreciated in the year of addition.

3.2 Based on a study carried out by a professional firm, no case of impairment of assets exists as at 31st March, 2021 under the provisions of Ind AS- 36 on impairment of assets.

3.3 In case of ITPO, Pending the appointment of external agency, the physical verification of assets except Office Equipments & Furniture & Fixtures has been carried out internally during the year in which no material discrepancies were observed. The physical verification by the external agency, as per practice will be carried in due course.

3.4 Refer 'para 2.2 & 2.3' of 'Significant Accounting Policies' for the accounting on Property, Plant and Equipment and Capital Work-in-progress

**Ageing Schedule of Capital Work-in-Progress**
**(As at 31st March, 2021)** **(Rs. In Lakhs)**

| | Amount in CWIP for a period of | | | | |
|---|---|---|---|---|---|
| | **Less than 1 year** | **1-2 years** | **2-3 years** | **More than 3 years** | **Total** |
| Projects in progress | 18,225.81 | 37,036.81 | 1,05,843.50 | 27,263.64 | 1,88,369.77 |
| Projects temporarily suspended | - | - | - | - | - |

**CWIP Completion Schedule for delayed projects**
**(As at 31st March, 2021)** **(Rs. In Lakhs)**

| | To be completed in | | | | |
|---|---|---|---|---|---|
| | **Less than 1 Year** | **1-2 years** | **2-3 years** | **More than 3 years** | **Total** |
| Building Under Construction | - | 2,904.07 | - | - | 2,904.07 |
| IECC- Delhi | - | 1,82,577.35 | - | - | 1,82,577.35 |

**4 Other Intangible Assets (As at 31st March, 2022)**

(Rs. In Lakhs)

| Description | Useful Life (years) | Gross Block | | | | Amortization | | | | Net Block | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | As at 1.04.2021 | Additions during the year | Sales/ disposal/ adjustments during the year | As at 31.03.2022 | As at 1.04.2021 | For the year | Sales/ disposal/ adjustments during the year | As at 31.03.2022 | As at 31.03.2022 | As at 31.03.2021 |
| Computer Softwares | 3 | 117.28 | 5.13 | - | 122.41 | 92.30 | 11.15 | 0.01 | 103.44 | 18.96 | 24.98 |
| Website | 3 | 21.31 | - | - | 21.31 | 21.21 | 0.07 | - | 21.28 | 0.03 | 0.10 |
| **Total** | | **138.58** | **5.13** | **-** | **143.71** | **113.51** | **11.22** | **0.01** | **124.72** | **18.99** | **25.08** |

4.1 Refer 'para 2.4' of 'Significant Accounting Policies' for the amortization of Intangible Assets.

**Other Intangible Assets (As at 31st March, 2021)**

(Rs. In Lakhs)

| Description | Useful Life (years) | Gross Block | | | | Amortization | | | | Net Block | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | As at 1.04.2020 | Additions during the year | Sales/ disposal/ adjustments during the year | As at 31.03.2021 | As at 1.04.2021 | For the year | Sales/ disposal/ adjustments during the year | As at 31.03.2022 | As at 31.03.2021 | As at 31.03.2020 |
| Computer Softwares | 3 | 90.79 | 26.49 | - | 117.28 | 81.51 | 10.78 | - | 92.30 | 24.98 | 9.27 |
| Website | 3 | 21.27 | 0.04 | - | 21.31 | 21.14 | 0.07 | - | 21.21 | 0.10 | 0.13 |
| **Total** | | **112.05** | **26.53** | **-** | **138.58** | **102.65** | **10.86** | **-** | **113.51** | **25.08** | **9.41** |

4.1 Refer 'para 2.4' of 'Significant Accounting Policies' for the amortization of Intangible Assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

5 **INVESTMENT IN JOINT VENTURE/ ASSOCIATE (valued at cost, unless otherwise stated)** **(Rs. In Lakhs)**

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| **In Equity Shares- Unquoted, fully paid up** | | | | |
| **Jointly Controlled Entity** | | | | |
| 2,00,000 (2,00,000) equity shares of Rs.100/- each fully paid in National Centre for Trade Information (NCTI) (under liquidation) | 200.00 | | 200.00 | |
| (Less): Provision for Impairment Loss | (200.00) | - | (118.12) | 81.88 |
| **Associate** | | | | |
| 2,20,000 (2,20,000) equity shares of Rs. 100/- each in Jammu & Kashmir Trade Promotion Organization (JKTPO) | | 107.79 | | 172.17 |
| **Total** | | **107.79** | | **254.05** |

5.1 Information about Joint Venture & Associates:

| Name of Company | Country of Incorporatio | Principal Activities | Proportion (%) of Shareholding | |
|---|---|---|---|---|
| | | | 31.03.2022 | 31.03.2021 |
| National Centre for Trade Information (under liquidation) | India | Trade Information | 50% | 50% |
| Jammu & Kashmir Trade Promotion Organization | India | Trade Promotion | 42.05% | 42.05% |

6 **INVESTMENTS** **(Rs. In Lakhs)**

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| **In Equity Shares- Unquoted, fully paid up** | | | | |
| (carried at fair value through Other Comprehensive Income) | | | | |
| 5 (5) shares of Rs.50/- each, aggregating Rs. 250/- only, in Sea Glimpse Cooperative Housing Society, Mumbai | | - | | - |
| **Total** | * | - | * | - |
| (i) Aggregate amount of Unquoted Investments | | - | | - |
| (ii) Aggregate amount of impairment in the value of investments | | - | | - |

* Amount less than Rs. 1,000/-

7 **LOANS(Considered good)** **(Rs. In Lakhs)**

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Loan/ Advances to Employees (including accrued interest) Refer Note No. 7.1** | | |
| Considered Good | | |
| Secured | 193.81 | 238.72 |
| Unsecured | 760.30 | 856.30 |
| **Total** | **954.11** | **1,095.02** |

7.1 Loan to Employees includes due from officers in the nature of loan Rs. 9.43 lakhs (Previous Year: Rs. 11.88 lakhs)

8 **OTHER NON CURRENT FINANCIAL ASSETS** **(Rs. In Lakhs)**

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Term deposits with banks (with original maturity more than 12 months) | - | 796.00 |
| **Total** | **-** | **796.00** |

9 **NON-CURRENT TAX ASSETS (Unsecured)** **(Rs. In Lakhs)**

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| Income Tax / TDS Recoverable [refer note 40.5 for ITPO] | | | | |
| Considered good | | 2,206.54 | | 9,931.31 |
| Considered doubtful | 426.00 | | 426.00 | |
| **Less:** Provision for doubtful TDS | (426.00) | - | (426.00) | - |
| Deposit (under protest) | | - | | 1,319.00 |
| **Total** | | **2,206.54** | | **11,250.31** |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

**10 OTHER NON-CURRENT ASSETS** (Rs. In Lakhs)

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| **Capital Advances** | | | | |
| Secured (against corporate guarantee of NBCC) [Refer Note 40.10(g)] | 19,454.00 | | 15,621.00 | |
| Against bank guarantee to TNTPO | 2,832.52 | | 3,105.46 | |
| Unsecured, considered good | 1,243.04 | 23,529.56 | 3,131.94 | 21,858.40 |
| **Other recoverable** (Unsecured, considered good) | | | | |
| Sundry Deposits | | 285.29 | | 1,254.63 |
| Service Tax Recoverable (Refer Note 40.7) | | - | | 881.31 |
| Deferred Payroll expense | | 54.30 | | 63.19 |
| **Total** | | **23,869.15** | | **24,057.53** |

**11 INVESTMENTS** (Rs. In Lakhs)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| In Mutual Funds- Quoted (Carried at fair value through Income and Expenditure) | | |
| 3,43,956.933 (3,25,333.892) units of Rs. 10/- each in UTI-Balanced Fund Dividend Reinvestment scheme | 113.01 | 95.57 |
| **Total** | **113.01** | **95.57** |
| (i) Aggregate amount of quoted investment & market value thereof | 113.01 | 95.57 |
| (ii) Aggregate amount of impairment in the value of investments | - | - |

**12 TRADE RECEIVABLES** (Rs. In Lakhs)

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| Considered good – Secured | | | | |
| Considered good – Unsecured (Refer Note 12.1) | | 786.01 | | 866.68 |
| Trade Receivables – which have significant increase in credit risk | 963.64 | | 946.09 | |
| Trade Receivables – credit impaired | - | | - | |
| (Less): loss allowance | (963.64) | - | (946.09) | - |
| Unbilled Dues | | 65.03 | | 50.31 |
| **Total** | | **851.04** | | **916.99** |

12.1 Due to short-term nature of current receivables, their carrying amount is assumed to be same as their fair value.

12.2 Trade receivables include amount of Rs. 54.48 lakhs (Previous year: Rs. 54.48 lakhs) due from NCTI, JV Company (under liquidation) out of which loss allowance of Rs. 23.56 lakhs is created.

12.3 Trade receivables ageing schedule is diclosed in Note No. 40.15

**13 CASH & CASH EQUIVALENTS** (Rs. In Lakhs)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Balances with Banks:** | | |
| Savings accounts | 2,802.49 | 5,256.53 |
| -Current accounts (Refer Note 13.1) | 462.77 | 17.49 |
| Cash on Hand | 0.14 | 0.11 |
| Postage Imprest | 0.57 | 0.57 |
| **Total** | **3,265.97** | **5,274.70** |

13.1 Bank balance in current accounts includes nil amount (Previous year: Rs. 9.84 lakhs) held in bank accounts maintained in foreign countries.

13.2 There are no restriction with regard to cash and cash equivalents as at the end of the reporting period.

**14 BANK BALANCES OTHER THAN CASH & CASH EQUIVALENTS** (Rs. In Lakhs)

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Term deposits with banks having original maturity of more than 3 months but less than 12 months | 48,613.26 | 48,126.68 |
| Debt Service Reserve Account (DSRA)- (Refer Note 14.1) | 697.06 | 631.42 |
| Deposit for hedging foreign currency risks | 2.00 | - |
| **Total** | **49,312.32** | **48,758.10** |



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

14.1 Debt Service Reserve Account (DSRA) is maintained for the loan raised from SBI for financing the IECC project to cover the interest servicing for one quarter.

14.2 Exposure to foreign currency risks of the company may be referred at Note 40.21(II)(a)(i)

**15 LOANS** **(Rs. In Lakhs)**

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| **Loan/ Advances to Employees (including accrued interest) (Refer Note 15.1)** | | | | |
| Loan Receivables considered good – Secured | | 43.84 | | 68.02 |
| Loan Receivables considered good – Unsecured* | 149.16 | | 202.76 | |
| Loan Receivables – which have significant increase in credit risk | 90.37 | | 90.70 | |
| Loan Receivables – credit impaired | | | | |
| (Less): loss allowance | (90.37) | 149.16 | (90.70) | 202.76 |
| Advance to ITPO ECPF Trust (unsecured, considered good) | | - | | 185.35 |
| **Total** | | **193.00** | | **456.13** |

15.1 Loans to Employees includes dues from:

| | | |
|---|---|---|
| Directors / Ex-Directors | - | - |
| Officers in the nature of loan | 2.45 | 2.26 |

* The above advances includes the interest free advance of Rs.8.65 Lakhs paid to regular employees of TNTPO. In the line of ITPO (Holding Company), TNTPO had released adhoc payment as advance for Rs.8.65 Lakhs towards performance related pay / performance incentive scheme for the year 2011-12 to 2014-15. This has been shown as staff advance, which is interest free advance on undertaking from the staff that the amount released would be recovered are adjusted as per the decision of the subject. No such advances have been paid to staff from 2015-16.

**16 OTHER FINANCIAL ASSETS (Unsecured, considered good unless stated otherwise)** **(Rs. In Lakhs)**

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| Grant recoverable from Government of India | | | | |
| Considered good | 129.91 | | 345.33 | |
| Considered doubtful | 470.95 | | 358.95 | |
| (Less): Provision for doubtful recovery of Grant | (470.95) | 129.91 | (358.95) | 345.33 |
| Inter-corporate deposits (placed with NBFCs) | | 3,000.00 | | - |
| Security Deposits | | 13.45 | | - |
| Due from Indian Missions Abroad | | - | | 7.89 |
| Interest accrued on saving bank accounts & term deposits | | 1,212.40 | | 1,181.63 |
| Receivable from TIDCO | | 3.99 | | 2.31 |
| **Due from parties in respect of deposit works** | | | | |
| Considered doubtful | 70.15 | | 70.15 | |
| (Less): Provision for doubtful dues | (70.15) | - | (70.15) | - |
| **Total** | | **4,359.75** | | **1,537.16** |

**17 CURRENT TAX ASSETS (Unsecured, considered good)** **(Rs. In Lakhs)**

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Income Tax / TDS Recoverable [Refer Note 40.5(ii)] | 9,639.55 | 8,553.32 |
| **Total** | **9,639.55** | **8,553.32** |

**18 OTHER CURRENT ASSETS (Unsecured, considered good unless stated otherwise)** **(Rs. In Lakhs)**

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| **Advances to vendors** | | | | |
| Considered good | 300.28 | | 305.48 | |
| Considered doubtful (Refer Note 18.1) | 106.97 | | 157.39 | |
| (Less): Provision for doubtful advances | (106.97) | 300.28 | (157.39) | 305.48 |
| **Sundry Deposits** | | | | |
| Considered good | - | | 0.25 | |
| Considered doubtful | 4.65 | | 4.34 | |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

| | | | | |
|---|---|---|---|---|
| (Less): Provision for doubtful deposits | (4.65) | - | (4.34) | 0.25 |
| **Others** | | | | |
| Deposit under protest with PF Authority [Refer Note 40.1(a)] | 100.00 | | 100.00 | |
| GST Credit [Refer Note 18.3 & 40.10(c)] | 1,855.29 | | 1,205.75 | |
| Prepaid Expenses | 450.97 | | 380.94 | |
| Deferred Payroll expense | 9.76 | | 11.38 | |
| Other Advances | 27.40 | | 25.71 | |
| Group Gratuity Fund- LIC | 34.36 | | 27.67 | |
| Pre deposit of Service tax | 1.70 | | - | |
| Service Tax Recoverable (Refer Note 18.2) | 37.50 | 2,516.98 | 37.50 | 1,788.95 |
| **Total** | | **2,817.26** | | **2,094.68** |

18.1 Advances to vendors include amount of Rs. 40.02 lakhs (Previous year: Rs. 40.27 lakhs) due from NCTI (under liquidation) to Holding company (ITPO) out of which Rs. 1.10 lakhs are doubtful for recovery.

18.2 Amount pertains to Service tax paid on advances received (up to 30 June 2017) for events which are conducted in GST period (1st July 2017 onwards) in respect of which refund of Service tax is yet to be received/settled. Refer Note 40.7(ii).

18.3 Includes in case of TNTPO ,the Amount pertains to GST paid on advances during the period from 1 September 2018 to 31 March 2022 pertaining to events which are not billed / invoiced up to 31 March 2022

**19 EQUITY SHARE CAPITAL** **(Rs. In Lakhs)**

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Authorized** | | |
| 50,000 (50,000) equity shares of Rs. 100/- each | 50.00 | 50.00 |
| **Issued, Subscribed & Fully paid-up** | | |
| 25,000 (25000) equity shares of Rs. 100/- each, fully paid up | 25.00 | 25.00 |
| **Total** | **25.00** | **25.00** |

19.1 **Reconciliation of shares outstanding**

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | No. of shares | (Rs. in lakhs) | No. of shares | (Rs. in lakhs) |
| At the beginning of the year | 25,000 | 25.00 | 25,000 | 25.00 |
| Add: Changes in Equity Share Capital due to prior period errors | - | - | - | - |
| Restated balance at the beginning of the year | - | - | - | - |
| Add: Issued during the year | - | - | - | - |
| At the end of the year | **25,000** | **25.00** | **25,000** | **25.00** |

19.2 **Terms / Rights attached to Equity Shares**

The Holding Company has only one class of equity shares having a par value of Rs.100/- per share. Each holder of equity share is entitled to one vote per share. Since the Holding Company is incorporated under Section 25 of Companies Act, 1956 (now Section 8 of Companies Act, 2013), it is prohibited from distribution of surplus, if any, or other income of the Holding Company to its members by way of dividend, bonus shares or otherwise.

In the event of winding up or dissolution of the Holding Company, if there remains, after the satisfaction of all the debts and liabilities and return of original capital to the Government, any property whatsoever, the same shall not be distributed amongst the members of the Holding Company but shall be given or transferred to such other Company having objects similar to the objects of the Holding Company to be determined by the members of the Holding Company at or before the time of dissolution or in default thereof, by the High Court of Judicature that has or may acquire jurisdiction in the matter.

19.3 **Details of Shareholder holding more than 5% shares**

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| | No. of | % age | No. of | % age |
| **Equity Shares of Rs. 100/- each fully paid** | | | | |
| Government of India<br>(2 shares held by nominee shareholders) | 25,000 | 100 | 25,000 | 100 |

19.4 Promoter's Shareholding is disclosed in Note No. 40.17

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

**20 OTHER EQUITY** **(Rs. In Lakhs)**

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| **Capital Reserves** | | | | |
| Promoter's Contribution for investment in KTPO | | 1,020.00 | | 1,020.00 |
| Others (Refer Note 20.1) | | 18.10 | | 18.10 |
| | | | | |
| **Retained Earning** | | | | |
| As per the last account | 2,24,645.57 | | 2,32,660.20 | |
| Prior period adjustments (net) | - | | (5.30) | |
| Restated Balance at the commencement of the year | 2,24,645.57 | | 2,32,654.90 | |
| Add: Surplus/ (Deficit) for the year | (5,081.80) | | (7,987.26) | |
| Add: Remeasurement gain/(loss) of defined benefit plans | (347.18) | | (21.70) | |
| Add/(Less): Share of OCI of joint venture accounted for using the equity method | - | | (0.37) | |
| | | 2,19,216.59 | | 2,24,645.57 |
| **Total** | | **2,20,254.69** | | **2,25,683.67** |

20.1 Represents excess of assets over liabilities of organizations merged with the Holding Company in earlier years.

**21 NON-CONTROLLING INTEREST** **(Rs. In Lakhs)**

| Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|
| **Tamilnadu Trade Promotion Organization (TNTPO)** | | | | |
| - Share Capital | 0.49 | | 0.49 | |
| - Other Equity | 15,199.47 | 15,199.96 | 15,009.10 | 15,009.59 |
| | | | | |
| **Karnataka Trade Promotion Organization (KTPO)** | | | | |
| - Share Capital | 980.00 | | 980.00 | |
| - Other Equity | 6,098.54 | 7,078.54 | 6,034.09 | 7,014.09 |
| **Total** | | **22,278.50** | | **22,023.68** |

**22 NON- CURRENT BORROWINGS** **(Rs. In Lakhs)**

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Borrowings from SBI for IECC | 39,957.25 | 32,967.68 |
| **Total** | **39,957.25** | **32,967.68** |

**22.1** Term loan of Rs. 1,50,000 lakhs was sanctioned by State Bank of India (SBI) to part finance the capital expenditure for redevelopment of ITPO complex into International Exhibition cum Convention Centre (IECC) at Pragati Maidan, New Delhi. The term loan sanction carries interest rate of 1-year MCLR, to be reset at annual intervals and is payable at monthly intervals, presently 7.00% (previous year-7.40%) and is paid at monthly interval. The repayment of principal amount of term loan, in 56 quarterly installments after the moratorium period, started from January 2022 amounting to Rs 658.75 lakhs per quarter.

The term loan is secured by an irrevocable guarantee of Government of India (GoI) towards principal and interest, restricted to the maximum of 80% of the loan facility or Rs. 1,05,400 lakhs, whichever is less and is effective from 15th March 2019. Further, the Company in accordance with sanction stipulations has also maintained a DSR account with SBI by way of fixed deposits to cover the interest servicing for one quarter for which fixed deposits of Rs. 697.06 lakhs (previous year: Rs. 631.42 lakhs) were held as at 31st March, 2022 and shown in Note no 14. The repayment of principal amount is fixed on total term loan of Rs 1,05,400 lakhs.

Loan amount of Rs. 42,592.25 lakhs (previous year: Rs. 33,626.43 lakhs) is outstanding against the Company. Pending capitalisation of IECC in the books of accounts , the cumulative interest on term loan of Rs. 5,341.96 lakhs (previous year: Rs. 2,830.69 lakhs), cumulated interest income of Rs. 47.98 lakhs (previous year: Rs. 23.51 lakhs) earned on DSRA and cumulated guarantee fees of Rs. 1,676.09 lakhs (previous year: Rs. 1,337.09 lakhs) to GOI towards its issue have been included in Capital Work-in-progress as on 31st March, 2022 in Note no 3

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

**23 OTHER NON CURRENT FINANCIAL LIABILITIES** **(Rs. In Lakhs)**

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Non Current Lease Liability | 1,119.57 | 1,184.57 |
| **Total** | **1,119.57** | **1,184.57** |

**24 NON- CURRENT PROVISIONS** **(Rs. In Lakhs)**

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Provision for employees' benefits | | |
| Leave Encashment (Refer Note 40.14) | 2,089.10 | 1,914.32 |
| Gratuity (Refer Note 40.14) | 36.42 | 32.23 |
| **Total** | **2,125.52** | **1,946.55** |

**25 OTHER NON-CURRENT LIABILITIES** **(Rs. In Lakhs)**

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Advance received from customers | 552.25 | 673.08 |
| Government Grant (Refer Note 25.2) | 2,285.80 | 2,367.57 |
| **Total** | **2,838.05** | **3,040.65** |

25.1 In case of TNTPO, Government Grants have been reclassified from other equity to other non current liability in FY 2020-21.

25.2 The Group company, TNTPO, has been awarded four government grants. One of the grants, received in 2001, amounted to Rs. 12.06 crore and was conditional on the construction of Exhibition Hall No.1 & 2. The building has been in operation since early 2001. The second grant received in 2004, amounted to Rs.9.42 crore and was conditional on the construction of Convention Centre. Further, the third grant received in 2008, amounted to Rs.5 crore and was conditional on the construction of Exhibition Hall No.3. The above grants, recognised as deferred income, are being amortised over the useful life of the building. In accordance with the terms of the grant, the Company is prohibited from selling the building premises for a period of 30 years from the date of the grant.

The fourth grant of Rs.20 crore has been sanctioned and first instalment of Rs.10 crore was released by Department of Commerce, Government of India, vide letter No.F.No.K-46012/7/2017-States Cell dated 06.11.2017 was conditional on the expansion project of Chennai Trade Centre and it is included in non- current liabilities and will be amortized as deferred income when the Capital work in progress is completed.

**Movement of Government Grant:** **(Rs. In Lakhs)**

| | Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|---|
| **a.** | Total ASIDE Grant received | 2,648.39 | 2,648.39 |
| | (Less): Accumulated amortisation of ASIDE grant | (1,396.66) | (1,314.90) |
| | Opening balance ASIDE Grant | 1,251.73 | 1,333.49 |
| | (Less): Amortisation of ASIDE grant during the year | (81.76) | (81.76) |
| | Closing balance ASIDE Grant | 1,169.97 | 1,251.73 |
| **b.** | Total TIES Grant received | 1,000.00 | 1,000.00 |
| | Add: Accumulated Interest on TIES Grant | 197.59 | 142.33 |
| | Opening balance TIES Grant | 1,197.59 | 1,142.33 |
| | Add: Interest earned on TIES grant during the year | | 55.26 |
| | Closing balance TIES Grant | 1,197.59 | 1,197.59 |
| | **Total (a + b)** | **2,367.56** | **2,449.31** |
| | Non- current liability (Refer Note 25) | 2,285.80 | 2,367.57 |
| | Current liability (Refer Note 30) | 81.76 | 81.76 |

**26 CURRENT BORROWINGS** **(Rs. In Lakhs)**

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Borrowings from SBI for IECC (Refer Note 22.1) | 2,635.00 | 658.75 |
| **Total** | **2,635.00** | **658.75** |



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

**27 TRADE PAYABLES** **(Rs. In Lakhs)**

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Total outstanding dues of Micro and Small Enterprises (Refer Note 27.3) | 6.12 | 19.30 |
| Total outstanding dues to creditors other than Micro and Small Enterprises | 1,096.31 | 1,262.90 |
| **Total** | **1,102.43** | **1,282.20** |

27.1 Trade Payables Ageing Schedule at Note 40.16

27.2 Trade Payables include amount of Rs. 12.83 lakhs (Previous year: Rs. 14.20 lakhs) due to NCTI (under liquidation).

27.3 Information in respect of micro and small enterprises as required by Micro, Small and Medium Enterprises Development Act, 2006:

| | Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|---|
| a. | Amount remaining unpaid to any supplier at the end of the year: | | |
| | Principal amount | 6.12 | 19.30 |
| | Interest due thereon | | |
| b. | Amount of interest paid in terms of Section 16 of the MSMED Act along-with the amount paid to the suppliers beyond the appointed day | - | - |
| c. | Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act. | - | - |
| d. | Amount of interest accrued and remaining unpaid | - | - |
| e. | Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowances as a deductible expenditure under Section 23 of MSMED Act. | - | - |

**28 OTHER CURRENT FINANCIAL LIABILITIES** **(Rs. In Lakhs)**

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Current Lease Liabilities | **408.19** | **272.30** |

**29 OTHER FINANCIAL LIABILITIES** **(Rs. In Lakhs)**

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Employees' Benefits payable | 170.60 | 124.23 |
| Security deposits* | 780.09 | 617.80 |
| Payable to Related Party: | | |
| - Payable to KIADB | 76.93 | 71.93 |
| - Payable to TIDCO** | 113.04 | 113.04 |
| - KMP | 0.04 | 0.05 |
| Refund due to customers | 5,889.26 | 3,597.56 |
| Interest accrued on borrowings | 247.89 | 210.08 |
| Grant Refundable to DOC | - | 1,500.00 |
| CSR Expenses payable | 34.40 | 23.16 |
| Ind AS Prior Period Adjustment (Net) | - | 261.21 |
| Other payables | 170.08 | 172.16 |
| **Total** | **7,482.33** | **6,691.22** |

* In case of KTPO, during the year 2020-21, advances received from parties for events have been converted into security deposits on the basis KTPO relief policy approved and circulated on 13-08-2020.

**Expenses Payable to TIDCO amounting to Rs. 108.27 lakhs and now it is being payable to the District Collector, Chennai District as per the Lease Agreement executed on 28.04.2022. Necessary disclosure has been made in Note No.40.13

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

**30 OTHER CURRENT LIABILITIES** **(Rs. In Lakhs)**

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Advance received from customers | 5,441.89 | 2,757.47 |
| Payable towards expansion project of TNTPO | 976.33 | 1,771.78 |
| Government Grant (Refer Note 25.2) | 81.76 | 81.76 |
| Statutory Liabilities | 683.51 | 201.64 |
| **Total** | **7,183.48** | **4,812.65** |

**31 CURRENT PROVISIONS** **(Rs. In Lakhs)**

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Provision for diminution in investment of PF trust | 54.22 | 61.72 |
| **Provision for Employees' Benefits** | | |
| -Gratuity (Refer Note 40.14) | 742.38 | 207.01 |
| -Leave Encashment (Refer Note 40.14) | 378.33 | 417.24 |
| - Pension Fund | 4.28 | 4.28 |
| - Pay Revision | - | 162.17 |
| Provision for Corporate Social Responsibility (CSR) | 859.08 | 389.62 |
| | - | |
| **Total** | **2,038.28** | **1,242.04** |

31.1 **Movement of Provisions** **(Rs. In Lakhs)**

| Particulars | As at April 1 | Amount utilised/ reversed during the year | Provision made during the year | As at March 31 |
|---|---|---|---|---|
| **2021-22** | | | | |
| Pension Fund | 4.28 | | | 4.28 |
| Pay revision | 162.17 | (162.17) | | - |
| Diminution in investment of PF Trust | 61.72 | (7.50) | | 54.22 |
| Corporate Social Responsibility (CSR) | 389.62 | 98.09 | 371.37 | 859.08 |
| | | | | |
| **2020-21** | | | | |
| Pension Fund | 4.28 | | - | 4.28 |
| Pay revision | 162.17 | | - | 162.17 |
| Diminution in investment of PF Trust | - | | 61.72 | 61.72 |
| Corporate Social Responsibility (CSR) | 395.28 | (5.66) | - | 389.62 |

**32 REVENUE FROM OPERATIONS** **(Rs. In Lakhs)**

| Particulars | Year ended 31.03.2022 | | Year ended 31.03.2021 | |
|---|---|---|---|---|
| **Sale of Services** | | | | |
| Space Rent | 3,752.65 | | 1,226.83 | |
| Government grant- Revenue | (20.13) | | - | |
| Receipts towards electricity & water charges | 120.06 | | 63.41 | |
| Receipts towards other services | 35.65 | | 5.03 | |
| Hoardings | 19.20 | | 1.85 | |
| Branding/ Sponsorship | 52.04 | 3,959.48 | - | 1,297.13 |
| | | | | |
| **Other Operating Revenue** | | | | |
| Sale of Entry Tickets / Seasonal Passes | 351.40 | | 2.59 | |
| Subscriptions | 2.37 | | 2.80 | |
| Advertisement- Publications | 2.02 | | (11.72) | |
| Sale of Publications | 0.19 | 355.98 | - | (6.33) |
| **Total** | | **4,315.46** | | **1,290.80** |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

**33 OTHER INCOME** (Rs. In Lakhs)

| Particulars | Year ended 31.03.2022 | | Year ended 31.03.2021 | |
|---|---|---|---|---|
| **Interest Income from** | | | | |
| -Term deposits & Saving bank accounts | 2,085.38 | | 3,045.78 | |
| -Inter- corporate deposits | 56.92 | | 480.96 | |
| -Loan to employees | 23.24 | | 42.57 | |
| -Income Tax Refund | 3,145.38 | | 2,349.38 | |
| -Others | 6.17 | 5,317.09 | 16.54 | 5,935.23 |
| Dividend from Mutual Funds | | 6.04 | | 3.18 |
| Rent | | 79.76 | | 64.09 |
| Difference in Exchange (net) | | - | | 3.48 |
| **Other non-operating income** | | | | |
| Profit on Sale of Property, Plant & Equipments (net) | 7.92 | | - | |
| Liabilities/Provisions no longer required, written back | 270.46 | | 111.09 | |
| Penalties from customers (Refer Note 33.1) | 86.20 | | 7.20 | |
| Fair value gain on mutual funds | 11.41 | | 32.64 | |
| Amortisation of Government grant | 81.76 | | 81.75 | |
| Miscellaneous Income | 21.04 | 478.79 | 47.76 | 280.44 |
| **Total** | | **5,881.68** | | **6,286.42** |

33.1 Penalty of Rs. 764.93 lakhs, cumulative up to 31.03.2022 (previous year: Rs. 762.25 lakhs), due to cancellation of events by the third party organisers has not been recognized as income and the same shall be accounted for in accordance with the Ind AS-115 as and when the amount is recovered/ adjusted.

**34 EMPLOYEES' BENEFITS EXPENSE** (Rs. In Lakhs)

| Particulars | Year ended 31.03.2022 | | Year ended 31.03.2021 | |
|---|---|---|---|---|
| **Salaries & Wages** | | | | |
| Salaries, Wages & Allowances | 5,409.02 | | 5,765.33 | |
| Ex-gratia payments under VRS scheme | 278.51 | | 1,281.43 | |
| Other Perks & Allowances | 712.44 | 6,399.97 | 1,260.46 | 8,307.22 |
| **Contribution to Provident & Other Funds** | | | | |
| Contribution to Provident Fund (Refer Note 40.14) | 533.32 | | 570.79 | |
| Contribution to Pension Fund (Refer Note 40.14) | 132.38 | | 324.45 | |
| Gratuity (Refer Note 40.14) | 208.08 | | 252.24 | |
| Leave Encashment (Refer Note 40.14) | 472.80 | | 459.89 | |
| Contribution to Other Funds | 6.60 | | 7.63 | |
| | | 1,353.18 | | 1,615.00 |
| **Staff Welfare Expenses** | | | | |
| Medical Expenses | 319.51 | | 349.43 | |
| Compensation for deceased employees | 62.00 | | 160.91 | |
| Other staff welfare expenses | 76.13 | 457.64 | 76.98 | 587.32 |
| **Total** | | **8,210.79** | | **10,509.54** |

**35 DEPRECIATION AND AMORTISATION EXPENSE** (Rs. In Lakhs)

| Particulars | Year ended 31.03.2022 | | Year ended 31.03.2021 | |
|---|---|---|---|---|
| Depreciation on Property, Plant & Equipment | 536.21 | | 549.16 | |
| Depreciation on Right-of-Use Assets | 93.21 | | 93.21 | |
| Amortization of Other Intangible Assets | 11.22 | 640.64 | 10.86 | 653.23 |
| **Total** | | **640.64** | | **653.23** |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

**36 FINANCE COST** (Rs. In Lakhs)

| Particulars | Year ended 31.03.2022 | Year ended 31.03.2021 |
|---|---|---|
| Interest on lease | 95.00 | 99.84 |
| Bank Charges | 0.36 | 0.61 |
| Other interest cost | 118.87 | 10.17 |
| **Total** | **214.23** | **110.62** |

**37 OTHER EXPENSES** (Rs. In Lakhs)

| Particulars | Year ended 31.03.2022 | | Year ended 31.03.2021 | |
|---|---|---|---|---|
| **Expenses related to sale of services** | | | | |
| Participation charges | | 167.39 | | 14.85 |
| Construction & Interior Decoration | | 105.45 | | 105.48 |
| Publicity | | 86.59 | | 1.29 |
| Cultural Programs & Fashion Shows | | 0.06 | | - |
| Interpreter wages | | 1.04 | | - |
| Travelling & Conveyance | | 29.88 | | 3.51 |
| **Other Operating Expenses** | | | | |
| Entertainment | | 6.34 | | 3.76 |
| Commission | | 3.26 | | - |
| Electricity & Water charges | | 520.90 | | 571.18 |
| Maintenance of exhibition premises: | | | | |
| -Civil | 210.52 | | 127.05 | |
| -Electrical | 276.13 | | 478.88 | |
| -Horticulture | 10.59 | | 11.71 | |
| -Conservancy Arrangements | 122.70 | 619.94 | 117.79 | 735.43 |
| Operation and Maintenance | | 301.37 | | 284.87 |
| **Other Administrative Expenses** | | | | |
| Repairs, Renewals & Maintenance | | 175.95 | | 207.85 |
| Security Expenses | | 639.80 | | 566.34 |
| Insurance | | 18.73 | | 11.31 |
| Legal & Professional charges | | 102.53 | | 164.65 |
| Seminar & Training | | 0.05 | | 1.17 |
| Difference in Exchange (net) | | 1.87 | | - |
| Postage, Telegrams & Telephones | | 23.20 | | 24.18 |
| Books & Periodicals | | 1.20 | | 0.74 |
| Printing & Stationery | | 37.47 | | 26.97 |
| Advertisement Expenses | | 4.50 | | 7.16 |
| Corporate Social Responsibility Expenses (Refer Note 40.20) | | 507.28 | | 23.16 |
| Administration charges (Outsourcing) | | 103.85 | | 100.60 |
| Rent | | 1.33 | | - |
| Rates & Taxes | 377.69 | | 374.42 | |
| (Less): Recoveries | - | 377.69 | (0.87) | 373.55 |
| Vehicle running & maintenance | 21.53 | | 18.34 | |
| (Less): Recoveries | (0.08) | 21.45 | (0.07) | 18.27 |
| Loss on Sale of Property, Plant & Equipment (Net) | | - | | 11.11 |
| Provisions/ Write offs | | 135.58 | | 404.50 |
| Other Miscellaneous Expenses | | 106.78 | | 67.81 |
| Discount | | - | | 3.01 |
| Provision for dimunition in investment of PF trust | | - | | 61.72 |
| Sitting Fees to Directors | | 4.00 | | 2.40 |
| Auditor's Remuneration | | | | |
| -Audit Fee | 9.98 | | 10.75 | |
| -Tax Audit Fee | 1.50 | | 1.50 | |
| | | 11.48 | | 12.25 |
| **Total** | | **4,116.96** | | **3,809.12** |



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

**38 EXCEPTIONAL ITEMS** **(Rs. In Lakhs)**

| Particulars | Year ended 31.03.2022 | Year ended 31.03.2021 |
|---|---|---|
| Refund of forfeited bid deposit [Refer Note no.40.10(c)] | 1,694.92 | - |
| **Total** | **1,694.92** | **-** |

**39 EARNINGS PER SHARE** **(Rs. In Lakhs)**

| Particulars | Year ended 31.03.2022 | Year ended 31.03.2021 |
|---|---|---|
| Surplus/ Deficit for the year (Rs. in lakhs) | (5,081.80) | (7,987.26) |
| Equity shares (Nos.) | 25,000 | 25,000 |
| Nominal value per share (Rs.) | 100 | 100 |
| Earnings per share- Basic/ Diluted (Rs. in lakhs) | (0.20) | (0.32) |

**40 OTHER NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022**

**40.1 CONTINGENT LIABILITIES AND COMMITMENTS** **(Rs. In Lakhs)**

| | Particulars | As at March 31, 2022 | | As at March 31, 2021 | |
|---|---|---|---|---|---|
| a) | **Contingent Liabilities (Refer Note 40.1.1)** | | | | |
| | Claims against the Group not acknowledged as debts - Disputed liability not adjusted as expenses in the accounts for various years being in appeal towards: | | | | |
| | Income Tax (Refer Note 40.5) | 821.43 | | 825.77 | |
| | Service Tax [Refer Note 40.7(i)(b)] | 370.13 | | 370.13 | |
| | Employee Provident Fund (amount deposited Rs. 100.00 lakhs, previous year: Rs. 100 lakhs) | 1,695.57 | 2,887.13 | 1,695.57 | 2,891.47 |
| | Employee related matter (refer note 40.3) | | 3,333.13 | | 3,335.18 |
| | Others - for which the Group is contingently liable [40.10(c)] | | 683.24 | | 2,642.24 |
| | | | **6,903.50** | | **8,868.89** |

40.1.1 The Group is contesting the above demands/ claims and the management including its advisors are of the view that these demands may not be sustainable at the appellate level. The management believes that the ultimate outcome of these proceedings will not have any material adverse effect on the Group's financial position and results of operations. The Group does not expect any reimbursement in respect of above contingent liabilities and it is not practicable to estimate the timing of cash outflows, if any, in respect of these matters, pending the decisions of the competent authorities.

| | | | |
|---|---|---|---|
| b) | **Capital Commitments** | | |
| | Estimated amount of contracts remaining to be executed on capital account and not provided for net of advances - Refer Note 40.10 & 40.11 | 58,139.70 | 72,516.38 |
| | Equity Contribution in Subsidiary/ Associate Company | 1,000.00 | 1,000.00 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

40.1.2 **CPWD Vs. CCCL- TNTPO**

As per the construction agreement with CPWD, the company has to meet the liability arising out of any litigation in the course of execution of the contract. There was a litigation between CPWD and Consolidated Construction Consortium Limited (CCCL), the contractor engaged by CPWD for the construction of convention centre – Phase II. There was an award in the arbitration between the parties and based on the subsequent development, the company is contingently liable for Rs.80.08 Lakhs including interest @ 10% on Rs.63.76 Lakhs from the date of award to the date of actual payment in full and final settlement.

During the year, the Division Bench of the Hon'ble High Court of Madras has also confirmed the original Arbitration Award. The matter was placed before the 49th Meeting of Board of Directors of TNTPO and after detailed deliberations, it was decided that the delay in the completion of the construction of Convention Centre by 543 days is due to lack of supervision and negligence of CPWD. TNTPO is not legally bound to release any amount due to CPWD as there was no agreement entered. The decision of the Board has been communicated to the CPWD. But CPWD is contesting that the work is depository in nature, TNTPO being the owner of the project is liable to make the payment of arbitration award. Further, in its 50th Board meeting of TNTPO again the matter was placed before the Board of TNTPO to take a final call on this long pending issue and the "Board observed that this particular case has arisen merely due to negligence and supervisory failure on the part of CPWD which caused non-adherence to the time schedule of the completion of the project that has led to the pronouncement of the award. The Board also felt that mere guidelines of CPWD or mere correspondence between CPWD and TNTPO vice versa cannot bind TNTPO to make payment".

In the 51st Board meeting of TNTPO, the Board advised the communication may be sent to CPWD stating that, TNTPO is not a party in litigation and therefore CPWD may be requested to settle the issue at their end and not to entertain any further correspondence. Accordingly, necessary communication has been sent to CPWD vide this office letter No.TNTPO/Engg-103/2016 dated 05.01.2017. But the Executive Engineer CPWD has requested to release Rs. 126.97 Lakhs (Against the decretal amount of Rs.150.94 Lakhs, an amount of Rs.23.98 Lakhs have been adjusted against the deposit available with CPWD) towards arbitration award on the above issue as CPWD had already made paid to contractor from their suspense account to avoid embarrassing situation like contempt of court in its Secretary, Ministry of Commerce and Industry would also have been Respondent vide CPWD letter No. 23 (247)/CD-II/2019/946 dated 02.12.2019. The above issue was placed before the Board meeting held on 07.08.2020 and the Board of TNTPO negated the item as earlier decision taken by the Board on this subject stands good.

In the context of the above, the company is contingently liable for Rs.126.97 Lakhs to CPWD.

**40.1.3 Customs and DGFT imposing duty and penalty in connection with EPCG license: -TNTPO**

TNTPO had imported mobile acoustic partition for the convention centre project during the year 2004 for a value of Rs. 47.23 Lakhs by availing customs duty relief under the EPCG scheme. The total duty saved value is Rs. 22.98 Lakhs with an obligation to earn free foreign exchange to the tune of 8 times of the duty saved value in a period of 8 years and submit a report on fulfilment of export obligation. In this connection, TNTPO received an order in original F.No.04/21/021/239/05 dated 14.11.2019 issued by Deputy Director General of Foreign Trade, Chennai, wherein it was inter-alia ordered that TNTPO had not fulfilled the export obligation in respect of an EPCG license No. 0430002037 dated 18.10.2004 involving duty saved Rs.22.98 Lakhs with export obligation of 8 times the duty saved, pegged at Rs.183.88 Lakhs and imposed penalty of Rs.5 Lakhs in addition to the full duty saved along with interest u/s 11(2) of Foreign Trade (Development and Regulation) Act 1992. As it pertains to EPCG License issued in the year 2004, and that due to efflux of time, that none of the present officer/staff are privy to the issue at all and the relevant documents are not readily traceable. TNTPO's inability to furnish the Export obligation Discharge certificate earlier was neither intentional nor wanton but due to non-continuity of staff and due to passage of time.

In the above issue department has issued a notice to pay a fiscal penalty of Rs.5 Lakhs, in addition to custom duty (Rs. 22.98 Lakhs) and interest thereon which works out to Rs.2.09 Lakhs totaling Rs. 25.08 Lakhs for which necessary provision has been given in other payables under other financial liabilities, . The penalty of Rs. 5 Lakhs has been contested before the Hon'ble High Court of Madras and for which the Company is contingently liable.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

Further, we have received a demand of customs duty of Rs.22,62,796/- along with penalty an amount of Rs.2,00,000/- from the Joint Commissioner (EODC-EPCG), Office of the Commissioner of Customs, Chennai-IV, Customs House, No.60, Rajaji Salai, Chennai-600001 vide OIO No.OInO/79674/2021 dated 25.02.2021. In this regard, we have filed an appeal before the Commissioner (Appeals) u/s 128 of the Customs Act,1962 to set aside the impugned order in original No.OInO/79674/2021 dated 25.02.2021 by submitting the available foreign exchange receipts during that period to fulfill the DGFT obligation on the import of foldable partition and also paid Rs.1,69,710/- towards 7.5% of the duty amount as pre-deposit on 20.04.2021. Hence, the case is pending with Commissioner (Appeals), Customs, Chennai.

**40.1.4 Property Tax-TNTPO**

The Revision of Property Tax was implemented w.e.f.01.04.2018 onwards. Accordingly, the Greater Chennai Corporation payment of Property Tax for the year 2018-19 (I and II) half year of Rs.50,11,710/-. TNTPO has paid the amount under protest. Subsequently, for the year 2019-20 (Ist Half) the Greater Chennai Corporation G.O.Ms.No.150 of Municipal Administration and Water Supply (MA-IV) Department, Dated 19.11.2019 to examine the revision of property tax and withhold the general revision of property tax order dated 19.07.2018 and 26.07.2018. TNTPO has represented the GCC for revised demand notice for the payment of property tax so as to adjust if any. At this juncture, TNTPO not able to quantify the exact liability towards the property for the year 2018-19, 2019-20, 2020-21 & 2021-22 and awaiting the revised order from the Greater Chennai Corporation, the company is contingently liable if there is any short payment to that extent and also contingently asset if there is any excess payment.

**40.1.5 Payment of Arrears for pay revision 2007 and 2017 to the regular employees:-TNTPO**

The Company contingently liable to the extent of arrears payable towards the implementation of pay revision 2007 to the three Manager level employees which is pending for a quite long time and the arrears payable for the pay revision (2017) to be implemented w.e.f.01.01.2017 to the three regular employees.

**40.1.6** In case of Group Company ISL, has non complied the Section 173 (Minimum Board Meeting), Section 174 (Quorum of the Board Meeting), Annual Filing of the AOC-4 and MGT-7 of the F.Y 2020-21, Filing of the Form DIR-12 for the appointment of the Director as per the requirement of the Companies Act, 2013. MCA may impose the penalty of about Rs 0.85 lakhs in this regard on the Company.

**40.2 National Science Centre and National Handicrafts & Handlooms Museum (Crafts Museum)- ITPO**

Land and Development Office (L&DO), Ministry of Urban Development has leased out 123.51 acres of land for Pragati Maidan Complex to the Company on perpetual lease of 99 years w.e.f. 1976 on 7th March 2011, out of which the combined area of 6.9850 acres is under the occupation of two Government Departments i.e. National Science Centre and NHHM i.e. Crafts Museum, as on 31st March 2022, without a sublease agreement.

The expenditure incurred on the annual ground rent, paid to L&DO, including the area under possession of these government departments, is borne by the Company as the lease deed for the entire area is in the name of the Company. The municipal taxes in respect of areas under their possession, as per past practice, are being paid by these departments directly to the Revenue authority. However, the license fee for land amounting to Rs. 634.71 lakhs [cumulative rent of Rs. 12,544.21 lakhs (Previous year Rs. 11922.31 lakhs)] is not being paid by both the departments and is being contested by them.

(a) In respect of dues from National Science Centre, the Department of Commerce, the administrative ministry of the company has forwarded the matter for invocation of the Administrative Mechanism for Resolution of CPSE's Disputes (AMRCD) on 02.07.2021 for resolution of the dispute.

(b) In respect of dues from NHHM, during the year, mutual exchange of land area measuring 0.2773 acres (1122.70 sq mtrs(net)) was undertaken for interalia facilitating the IECC Project, as per approval of the competent authority in the Government of India. However, further process of legal documentation for the land will be undertaken subsequently with L & DO.

In view of uncertainty in the realization of dues as above, the rental income from both the departments is not recognized in the books since earlier years in accordance with Ind AS 115.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

**40.3 Performance Related Pay (PRP)/ Ex-gratia**

**A. Holding company- ITPO**

The provision of Rs. 3264 lakhs towards Performance Related Pay (PRP)/ Ex-gratia was made by the Company during the period 01.04.2007 to 31.03.2017, in accordance with the guidelines of Department of Public Enterprises (DPE) on revision of pay scales as per 2nd Pay Revision Committee (2nd PRC). Pending approval of PRP/ Ex-gratia by the competent authority, ad-hoc payments amounting to Rs. 871.10 lakhs (Previous Year: Rs. 1020.97 lakhs), net of recoveries from the employees retired/ taken VRS, were released to the employees with the approval of the Board of Directors (BOD) of the Company as 'Interest free advances' against the undertakings obtained from the employees to refund/ adjust the advance as per the decision of the competent authority.

The BOD in its 205th meeting held on 29.08.2018 had noted that though as per DPE guidelines, ITPO could grant PRP/ Ex-gratia but it is not mandatory for it to do so since the guidelines of DPE only provide the guidance but they do not create any obligation for the Company and all financial decisions including PRP/ Ex-gratia have to be considered by the BOD and approved by the Administrative Ministry, wherever required. This was also clarified by the Department of Commerce (DoC) in Sep.'13 and reiterated in Oct.'17 that ITPO is ineligible for PRP as per recommendation of 2nd PRC.

However, in case of 3rd PRC, the decision on PRP/ Ex-gratia is dependent upon it's financial position and other factors. Therefore, due to huge financial outgo committed by the Company for ongoing IECC project and inadequate surplus generated from core activities, the BOD during 2017-18 and 2018-19 decided not to provide for PRP/ Ex-gratia/ Interest free advance for both these years.

For the year 2019-20, the BOD in its 213th meeting held on 18th June 2020 decided not to make provision towards PRP/ ad-hoc advance, considering the extreme financial stress on the Company due to ongoing IECC project, the adverse business outlook projected during next few years due to outbreak of Covid-19 pandemic and also to write back the provision of Rs. 3264 lakhs towards PRP/ Ex Gratia already made during the earlier years for 2nd pay revision period, which is not payable as per the clarification of DoC. The BoD in 214th meeting on 22nd September 2020 decided that the recoveries of ad-hoc advances from the employees be effected in monthly installments w.e.f. April '21 and be completed in three years or at the time of retirement/ VRS, whichever is earlier, to improve the availability of funds in the company for the project.

The ITPO Employees Union has filed an application for stay of recoveries in the Central Administrative Tribunal, which is pending for disposal. However, as per legal advice/ status of case, the recoveries in monthly installments from employees in service are yet to be initiated and the recoveries from retiring employees are being made at the time of their VRS/ retirements, as per earlier approvals.

**Group company- TNTPO (refer note. 15)**

The advances to employees include the interest free advance of Rs.8.65 lakhs paid to regular employees of TNTPO. In the line of ITPO (Holding Company), TNTPO had released adhoc payment as advance for Rs.8.65 lakhs towards performance related pay / performance incentive scheme for the year 2011-12 to 2014-15. This has been shown as staff advance, which is interest free advance on undertaking from the staff that the amount released would be recovered are adjusted as per the decision of the subject. No such advances have been paid to staff from 2015-16.

**B. Other Pay & Allowances**

Considering the requirement of funds for the IECC Project, the Perks & Allowances and other benefits of the employees were frozen at various levels during the year. The ITPO Employees Union has filed an application before the Dy Chief Labour Commissioner New Delhi against the said measures for restoration of the benefits. Pending disposal of the application, no provision for the same has been made in the accounts. Pending disposal of the appeal, the company is contingently liable towards these benefits. However, the amount is not quantified as the extent of the same is dependent on the outcome of the matter.

**40.4** In the opinion of the management, the value of assets other than Property, Plant and Equipment and Intangible assets, on realization in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet.





NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

**40.5 INCOME TAX MATTERS**

**(i) Holding Company**

**A. Exemption of Income**

The Director General of Income Tax (Exemptions) had withdrawn the Income Tax exemption granted to ITPO under section 10(23C)(iv) of the Income Tax Act, 1961 since Assessment Year 2009-10 and onwards as per the amended proviso of section 2(15) of the Income Tax Act, 1961 effective from 1.4.2008.

The Company had contested the withdrawal of exemption before the Hon'ble High Court of Delhi and got a favourable judgment on 22.01.2015. Accordingly the Chief Commissioner of Income Tax (Exemptions) vide order dated 02.03.2015 restored the aforesaid Income-tax exemption of the Company w.e.f. Assessment Year 2009-10.

The Income Tax Department filed a Special Leave Petition SLP (C) no. 9284 of 2017 before the Hon'ble Supreme Court against the order of the Hon'ble High Court of Delhi. The prayer of the Income Tax department for interim relief/ stay of operation of the judgment passed by the Hon'ble High Court of Delhi was not accepted by the Hon'ble Supreme Court and the matter has been tagged with other SLPs pending before Hon'ble Supreme Court on similar matters. However, regular hearings in the matter are yet to commence.

Even though the matter of exemption is pending before the Hon'ble Supreme Court, the management and it's advisors are of the view that since the income-tax exemption has been restored by the Hon'ble High Court of Delhi, no provision for income-tax, interest and penalties is considered necessary from Assessment year 2009-10 onwards.

**B. Income Tax recoverable**

Subsequent to the restoration of the exemption by the Hon'ble High Court, the year-wise position in respect of demands, refunds received and tax recoverable is as under:

**(Rs. In Lakhs)**

| | **Assessment Years** | **Deposit/ TDS recoverable as on 31.3.2021** | **TDS additions/ adjustments during 2021-22 (net)** | **Refund received during 2021-22** | **Deposit/ TDS recoverable as on 31.3.2022** |
|---|---|---|---|---|---|
| a | Various Assessment years (doubtful for recovery) | 426.00 | - | - | 426.00 |
| b | 2009-10 to 2011-12 | | | | |
| | - deposit under protest | 1,319.00 | - | 1,319.00 | - |
| | - adjusted from refunds for various AYs | 6,464.64 | - | 6,421.09 | 43.55 |
| c | 2012-13 to 2013-14 (refund received in earlier years) | - | - | - | - |
| d | 2014-15 to 2020-21 # | 2,933.71 | 165.97 | 1,489.36 | 1,610.31 |
| e | 2021-22 | - | 720.69 | - | 720.69 |
| | **Total** | **11,143.34** | **886.66** | **9,229.45** | **2,800.55** |

# TDS additions/ adjustments pertains to AY 2020-21 & 2021-22

The company is pursuing the matter with the income tax department for obtaining the refund of balance amounts along with interest for the aforesaid years and is confident of their realisation unless stated otherwise.

**(ii) Tamilnadu Trade Promotion Organization (TNTPO)**

For the Assessment year 2006-07, the Income Tax Department has reopened the Assessment by issue of notice u/s 148 dated 28.03.2013 pointing out that there was an escapement of Income and raised demand of Rs.149.47 Lakhs towards short fall in the Application of Income besides interest and penalty. By contesting the same, TNTPO filed an appeal before the Commissioner of Income Tax (Appeals) against the said Assessment order and filed an application for stay of demand. As per the orders of stay of demand, TNTPO has remitted (under protest) 50% of the Tax Demand of Rs.74.73 Lakhs.

The Chief Commissioner of Income Tax, Chennai-III had withdrawn the Income Tax Exemption issued under section 10 (23) (C) (IV) of the Income Tax Act from the Assessment year 2009-10 onwards on the grounds that the Company is engaged in activities of trade, Commerce or business or rendering services in relation to trade, commerce or business as per the amended proviso of Section 2(15) of the income Tax Act with effect from 01.04.2008. Currently, this case pending with Supreme court of India.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

Consequent to the withdrawal of exemption order issued under section 10(23C)(iv), the Assessing Officer has raised demands for the Assessment Years 2009-10, 2010-11, 2011-12, 2012-13, 2013-14, 2014-15,2016-17, 2017-18 & 2018-19. Tax deposited under protest and the status of the case are tabulated below:

**(Rs. In Lakhs)**

| Assessment Year | Total Demand (including interest) | Total tax treated as paid under protest as per Accounts (Note 17) | Cases Pending with | As per 26AS (TDS Credit, Advance Tax paid, Regular Tax paid, Pre-deposit for filing Appeal paid etc.) | | |
|---|---|---|---|---|---|---|
| | | | | TDS Credit | Taxes Paid | Total tax dues treated as paid as per 26AS |
| 2006-07 | 149.47 | 3,206.82 | CIT (Appeals) | - | 74.73 | 74.73 |
| 2009-10 | 501.00 | | HC of Madras | 24.13 | 422.25 | 446.38 |
| 2010-11 | 358.59 | | HC of Madras | 2.32 | 361.63 | 363.95 |
| 2011-12 | 585.56 | | HC of Madras | 2.54 | 585.56 | 588.10 |
| 2012-13 | 968.50 | | CIT (Appeals) | 33.69 | 964.75 | 998.45 |
| 2013-14 | 1,360.67 | | CIT (Appeals) | 163.65 | 180.06 | 343.71 |
| 2014-15 | 992.50 | | CIT (Appeals) | 242.09 | 750.41 | 992.50 |
| 2015-16 | - | 636.65 | As per Return of Income | 233.82 | 400.00 | 633.82 |
| 2016-17 | 960.46 | 652.71 | CIT (Appeals) | 235.64 | 446.94 | 682.58 |
| 2017-18 | 1,328.40 | 800.55 | CIT (Appeals) | 300.80 | 500.00 | 800.80 |
| 2018-19 | 1,267.33 | 1,012.64 | CIT (Appeals) | 312.64 | 700.00 | 1,012.64 |
| 2019-20 | - | 966.57 | As per Return of Income | 351.57 | 615.00 | 966.57 |
| 2020-21 | - | 1,201.55 | As per Accounts | 413.55 | 788.00 | 1,201.55 |
| 2021-22 | - | 77.43 | As per Accounts | 77.43 | - | 77.43 |
| 2022-23 | - | 349.45 | As per Accounts | 143.45 | 206.00 | 349.45 |
| **Total** | **8,472.48** | **8,904.37** | | **2,537.32** | **6,995.33** | **9,532.66** |

* Breakup of Income taxes treated as paid under protest as per Accounts

| | |
|---|---|
| Income Tax Refund | 2,133.43 |
| Deposit - Income Tax Account | 6,627.49 |
| TDS Receivable - 2020-21 | 143.45 |
| **TOTAL** | **8,904.37** |

**a) Difference in Taxes treated as paid between Books of Accounts & 26AS System remains to be reconciled**

The holding company (ITPO) had filed a writ petition challenging the provision of section 2 (15) of the Income Tax Act 1961, in the Hon'ble High Court of New Delhi and also won the case. ITPO got a favorable judgment from the Hon'ble High Court of Delhi on 22.01.2015. Consequently, the Income Tax Department has granted the Income Tax Exemption u/s 10 (23C) (iv) of the Income Tax Act, 1961 to ITPO.

As resolved by the Board at its 42nd Board Meeting held on 08.08.2013, Accounting Treatment of the Tax Liability in the books of accounts of TNTPO has to be in line with holding company (ITPO). As such, TNTPO is also following the action of holding Company and writs have been filed in the Hon'ble High Court Madras and the matter is subjudice. TNTPO is hopeful of getting a favorable decision like the holding Company ITPO, hence no provision for Income Tax liability for the AY 2009-10, 2010-11, 2011-12, 2012-13, 2013-14, 2014-15, 2016-17, 2017-18 & 2018-19 are made in the books of accounts, in line with the Accounting Treatment followed by holding Company ITPO. The appeals filed by TNTPO for various Assessment Years are pending disposal. Pending disposal of these appeals, the company is contingently liable for the total demand of Rs. 8472.49 Lakhs as on 31st March 2022 which include the demand for withdrawal of exemption of Rs. 8904.37 Lakhs and demand for escapement of Income of Rs. 149.47 Lakhs. In this context, the Hon'ble High Court of Madras has ordered that "The petitioner shall continue to pay the amounts claimed by the respondents, subject to the outcome of the challenge to the judgment of the Delhi High Court in W.P.(C) No.1872 of 2013 (supra) pending before the Hon'ble Supreme Court in Civil Appeal No.9284 of 2017, arising out of Special Leave Petition Civil No.14674 of 2016."

The Company is also contingently liable for the AY 2015-16, 2018-19, 2019-20,2020-21 & 2021-22 for which the Department is yet to take up the Assessment Proceedings and the amount of contingent liability is yet to be determined.

**b) TDS Compliance Demand**

i) Most of the organizers are yet to pay the tax and file the returns due to impact of COVID-19,thereby resulting a huge difference between the books of Accounts and 26AS, however the same has been reconciled.

ii) Demand relating to TDS Compliance as per department TRACES portal amounting to Rs.7.21 lakhs is considered as contingent liability.

**(iii) Karnataka Trade Promotion Organization (KTPO)**

In case of Group company KTPO, the organization had obtained exemption u/s 10(23C)(iv) of Income Tax Act, 1961 up to assessment year 2008-09. The organization applied for extension of exemption for the assessment years 2009-10, 2010-11, and 2011-12. The Chief Commissioner of Income Tax has passed orders rejecting the applications for renewal of approval u/s 10(23C)(iv) of Income Tax Act, 1961. The organization had filed writ petition in the Hon'ble High Court of Bangalore, challenging the rejection orders of the Chief Commissioner of Income Tax . The Hon'ble High court of Bangalore passed orders setting aside the orders passed by the Chief Commissioner of Income Tax u/s 10(23C)(iv) of Income Tax Act rejecting the renewal of approval as sought by KTPO, at the same time directing the department to decide on withdrawal or otherwise of the registration when such an occasion arising in future.

For Assessment Years 2010-11 to 2014-15, the Assessing Officer had denied the exemption claimed by KTPO u/s 11/ 10(23c)(iv) by applying the amended provisions of Sec. 2(15) of the Act. There is no tax liability for the assessment year 2010-11 since there is no excess of income over expenditure during the year as per the assessment order passed by the Assessing Officer. In response, KTPO has filed appeals before the Hon'ble Commissioner of Income Tax ( Appeals) stating that the organization does not attract the amended provision of Section 2(15) of the Act and is eligible to claim exemption u/s 10(23c)(iv) of the Act. Further, the stand of KTPO has been ratified for the Assessment Years 2010-11,2011-12 and 2012-13 by the acceptance of its Appeals by the Commissioner of Income Tax vide its Orders dated 30-08-2017, 16-06-2016 and 14-09-2017 respectively. However, the Income Tax Department has filed Appeals with Income Tax Appellate Tribunal for the Assessment Years 2010-11, 2011-12 and 2012-13 against the Orders of Commissioner of Income Tax (Appeals) passed in favour of KTPO. In respect of Assessment Year 2010-11, the Appeal filed by the Income Tax Department was dismissed by the Income Tax appellate Tribunal vide Order Dated 13-07-2018. For the Assessment Year 2016-17, the assessing officer issued intimation under section 143 (1) of the Income Tax Act dated 17-03-2018 disallowing claim of accumulation under Section 11(2) of the Act since Form 10 (in Electronic Mode) was not furnished within the due date. In response KTPO has filed appeal before the Assistant Commissioner of Income Tax (Appeals) to condone the delay in filing Form 10(in Electronic Mode) and allow the accumulation amount u/s 11(2) of the Act. Further, the Department vide Circular No. 7/2018 dated 28/12/2018 had condoned the delay in filing Form 10 (in Electronic Mode) in general. Till 31.03.2020, the total demands raised are Rs. 637.38 lakhs for Ass. Yrs. 2013-14, 2014-15 and 2016-17 against which refunds of Rs. 224.60 Lakhs are adjusted leaving balance demand of Rs. 412.77 Lakhs. No provision has been made against the said demand but included in Contingent Liabilities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

The organization had received notice from the Additional Commissioner of Income Tax (Tech) -I for proposal to withdraw the approval granted u/s 10(23c)(iv) of the Act for the assessment years 2003-04 to 2008-09 with effect from 1-04-2009, i.e. from the date of amendment to section 2(15) and onwards. KTPO had filed written submissions for reconsideration of its withdrawal proposal.

KTPO has received Show Cause Notice for cancellation of registration u/s 12AA of Income Tax Act, 1961. In response, the organization had requested for non-cancellation of the registration. No further communication has been received in this regard from the department.

The position of Demands raised and adjusted till 31-03-2020 are as under : **(Rs. In Lakhs)**

| Assessment Year | Demand Raised | Refund Adjusted | Balance Pending | Appeal Filed on |
|---|---|---|---|---|
| 2013-14 | 238.80 | 70.50 | 168.30 | 15-04-2016 |
| 2014-15 | 158.75 | 83.57 | 75.17 | 14-12-2016 |
| 2016-17 | 239.83 | 70.53 | 169.30 | 23-01-2019 |
| **Total** | **637.38** | **224.60** | **412.77** | |

For AY 2018-19 there was a demand of Rs.1155.17 lakhs as per the Assessment order under section 143(3) read with section 143(3A) & 143(3B) of the Income Tax Act dtd. 17.2.2021. The company has filed an appeal before the Commissioner of Income Tax (Appeals) (NFAC) on 21.9.2021 against this erroneous demand. On 31-03-2022 the Company has received an order under section 154 read with section 143(3) wherein the demand is revoked.

**40.6 DEFERRED TAX ASSET/ LIABILITY**

In case of ITPO, in view of the income being held to be exempt under section 10(23C)(iv) of the Income Tax Act, 1961 as per the order of the Hon'ble High Court of Delhi and in view of the management and it's advisors, the SLP filed by Income tax department is likely to be in their favour. Hence, the deferred tax assets/ liabilities have not been recognized. Further, as per amendments in the Income Tax Act in Budget 2022, the Company has also been granted approval as an exempted entity under section 10(23C)(iv) of the Income Tax Act 1961 for a period of 5 years w.e.f. AY 2022-23.

**40.7 SERVICE TAX MATTERS**

**(i) Holding Company**

(a) Service Tax demand of Rs. 1,087.95 lakhs for the period 2006-07 to 2009-10 comprising service tax of Rs. 1,064.27 lakhs and interest of Rs. 23.68 lakhs was raised on the Company by Commissioner of Service Tax in earlier years. The said demand was contested and the Commissioner of Customs and Central Excise vide order dated 22.01.2015 revised the demand to Rs. 410.41 lakhs and restricted penalty to Rs. 410.41 lakhs and Rs. 0.10 lakh & interest till the date of payment with the condition that penalty amount would stand waived by 75% in case payment is made within 30 days.

The Company deposited the Service tax of Rs. 410.41 lakhs, Penalty of Rs. 102.70 lakhs and Interest of Rs. 368.20 lakhs aggregating to Rs. 881.31 lakhs on 25.02.2015, under protest. Upon representations ,the Company received the favourable orders from all the appellate authorities viz CESTAT, Hon'ble High Court and the Supreme Court. The company has received the refund amounting to Rs. 881.21 lakhs(net of fees) without interest on 4.10.2021. As the appeal before the Commissioner (Appeal) for claiming interest on Rs 881.21 lakhs was rejected, the company has filed the appeal before CESTAT on 28.6.2022.

(b) Further, following demand cum show cause notices for service tax (interest and penalties not quantified) were served by the Service Tax department for the undernoted years:

**(Rs. in lakhs)**

| Year | Amount |
|---|---|
| 2011-12 | 42.77 |
| 2012-13 | 51.68 |
| 2013-14 | 46.69 |
| Apr. 2014 to Jun. 2017 | 228.99 |
| **Total** | **370.13** |

The Company, based on the expert opinion, considers that the above matters, on which demand-cum-show cause notices were served, does not fall within the ambit of service tax. Hence, the demands have been contested by the Company with the respective authorities and accordingly no provision for demand of Rs. 370.13 lakhs has been considered necessary in the accounts as at 31.03.2022 and the said demand of Rs. 370.13 lakhs has been included in Contingent Liability in note 40.1.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

**(ii) Tamilnadu Trade Promotion Organization (TNTPO)**

TNTPO has filed a refund claim for an amount of Rs.37,49,845/- towards advance tax paid during the service tax regime before the Assistant Commissioner of GST & Central Excise, Chennai-40 vide this office letter No.TNTPO/Service Tax/Accts/2020 dated 27.01.2021.

After receipt of our refund claim, the Joint Commissioner (IN SITU) of GST and Central Excise, Porur Division has rejected the claim and issued an Order in Original No.01/2021 (FR-Legacy) dated 29.03.2021. Refer Note 18

Further, TNTPO filed an appeal before the Commissioner of GST & Central Excise (Appeals-II), Chennai on 26.06.2021 by praying a) set aside the impugned Order-In-Original 01/2021 (RF-Legacy) dated 29.03.2021 passed by the Joint Commissioner (In Situ) of GST and Central Excise, Porur Division, Chennai and allow the refund claim, b) Grant a personal hearing; and c) Pass such other order or orders as may be deemed fit and proper in the facts and circumstances of the case. The case is still pending with the Commissioner of GST & Central Excise, Appellate Tribunal and TNTPO is hopeful and confident of getting the refund from the Department.

**40.8 CONFIRMATION OF BALANCES**

Balances appearing under Trade Receivables, Loans & Advances, Trade Payables and other parties etc. are subject to reconciliation/ confirmation. The impact, if any, subsequent to the confirmation/ reconciliation will be taken in the year of confirmation/ reconciliation, which in view of management will not be material.

**40.10 INTERNATIONAL EXHIBITION CUM CONVENTION CENTRE (IECC) PROJECT- ITPO**

**(a)** International Exhibition cum Convention Centre (IECC) project for redevelopment of Pragati Maidan complex was approved by the Government of India (GOI) in the Cabinet Committee of Economic Affairs (CCEA) meeting held on 24.1.2017 at a cost of Rs. 2,25,400 lakhs (since revised to Rs. 2,69,851 lakhs). The project, as per approval, is to be funded from Company's resources of Rs. 1,20,000 lakhs and balance by term loan from bank, secured by Guarantee from the Government of India.

**(b)** The Cabinet has further approved on 13.6.2018, the waiver of demand of Rs. 9,663.42 lakhs raised by L&DO on 21.4.2017 in connection with IECC project and also the monetization of 3.70 acres of land at Pragati Maidan complex for construction and operation of a hotel by a third party including private sector meant to finance the IECC project. Pending monetisation of land, the BoD has decided to deploy additional Rs. 40,000 lakhs from its internal resources and accordingly the loan from bank will stand reduced to that extent.

**(c)** During the year 2018-19, Request for Proposal (RFP) for selection of Developer cum Operator of 5-star hotel at Pragati Maidan was floated for which 2 bidders were found technically qualified. However, due to non-participation of one bidder in further bidding process, the said bid process was cancelled due to lack of competition and the bid security of Rs. 1,694.92 lakhs (net) after deposit GST of Rs. 305.08 lakhs from Rs. 2,000 lakhs received from the said bidder who did not participate, was forfeited as per terms and conditions of RFP, and was considered as "Exceptional Income" in the said year.

The bidder filed a writ petition against forfeiture of his bid security in the Hon'ble Delhi High Court in Aug'2019 which was contested by the Company. The Hon'ble Court has directed for payment of Rs 2,000.00 lakhs in favour of the bidder vide judgement dated 31.3.2022. The company has accordingly made payment of Rs 1694.92 lakhs (net of GST) to the bidder on 6.5.2022 and considered it as exceptional expense for the year. As the bidder informed that the input credit of the GST of Rs 305.08 lakhs was not claimed, an application has been filed by the Company with the Principal Commissioner, GST on 4.8.2022 for obtaining the refund from the GST Department .

The amount has been recorded as recoverable from the GST Dept. in Note no. 18 and payable to the bidder in Note no. 29. The same will be refunded to the bidder after receiving refund from the Department.

**(d)** The Cabinet in its meeting held on 4th December, 2019 had approved the monetization of 3.70 acres of land at Pragati Maidan on a 99-year fixed lease basis in favour of a Special Purpose Vehicle (SPV) formed as a wholly owned subsidiary of ITPO, for the development and operation of a 5-star hotel at Pragati Maidan. A Request for Proposal (RFP) for selection of a suitable developer and operator to construct, run and manage the said hotel through a competitive bidding process, was issued on 28.02.2020 with the extended due date of 31.08.2020 for submission of online bids but no bid was received due to situation arising out of Covid-19. The Company will explore the options on this matter, as and when the situation improves.

**(e)** Term loan of Rs. 1,50,000 lakhs was sanctioned by State Bank of India (SBI) on 28.05.2018. Guarantee for Rs. 1,05,400 lakhs has been issued by the Government of India against the said term loan on 15.03.2019 on which Guarantee fee of Rs. 2104.49 lakhs (previous year Rs. 1676.09 lakhs) has been paid as per the terms of approval.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

**(f)** NBCC, a Public Sector Undertaking, has been appointed as the Project Management Consultant (PMC) for the IECC project and an agreement has been entered into with the NBCC in 2017. As per the agreement, the advances are accounted for on the basis of Utilisation Certificates submitted by NBCC. The balances in the company's books stand reconciled with NBCC as on 31st March 2022. Resolution of the individual items in the reconciliation is underway.

**(g)** Special Advance of Rs 14,950 lakhs (previous year Rs 6,050 lakhs) at an interest rate of 10.5% p.a. was released to the contractor, as per the approvals, through NBCC by Company to mitigate the hardship to the contractor due to COVID-19 pandemic against the bank guarantee of Rs 14,950 lakhs (previous year Rs. 10,000 lakhs ) from the contractor to NBCC and Corporate Guarantee of equivalent amount given by NBCC to the company.

**(h)** The work done for IECC project amounting to Rs. 1,92,878.32 lakhs up to 31.03.2022 (Rs. 1,82,577.35 lakhs up to 31.03.2021), after capitalising net income of Rs 4,537.94 lakhs earned from events held in halls taken on trial basis, has been shown as Capital Work-in-Progress in Note. 3. In addition, advance of Rs. 20,135.76 lakhs (previous year: Rs. 17,869.90 lakhs) paid to various Departments/ agencies for the project has been shown as Capital Advances in Note. 10. Consequently, against the approved cost of Rs 2,69,851 lakhs, the balance amount of Rs. 56,836.92 lakhs is shown as Capital Commitments for the project in Note No. 40.1.

**40.11 EXPANSION PROJECT OF CHENNAI TRADE CENTRE (CTC)- TNTPO**

The Board of Tamil Nadu Trade Promotion Organisation (TNTPO) in the 48th Board meeting held at New Delhi on 24.11.2016 approved the expansion of TNTPO for the total project outlay of Rs.28900 lakhs. The salient features of expansion of TNTPO include additional rentable exhibition area of 15,700 sq.mtrs and total Car Parking facility of 2940 cars, besides creation of other facilities like Utility building, Restaurant, Integrated Building Management System, Lifts & Escalator facilities etc.

Subsequently the Board of TNTPO in the in its 55th Board meeting held at New Delhi on 30.04.2019 as approved the revised design for the expansion project of Chennai Trade Centre without basement covering the rentable area of 20,322 sqmts with car parking facility having 1260 cars with ground floor and first floor of exhibition hall, Convention Centre, meeting rooms, business centre with separate multi level car parking(MLCP) has suggested by Standing Finance Committee of DOC, Government of India

TIES grant of Rs.2000 Lakhs has been sanctioned and first instalment of Rs. 1000 lakhs was released by Department of Commerce, Government of India, vide letter No. F.No.K-46012/7/2017–States Cell dated 06.11.2017. The same has been disclosed under Other Non-Current Liability (Note No.25) as Govt Grant received from TIES for the expansion project of CTC

Financing pattern of TNTPO’s expansion project as Rs.8500 lakhs from internal accruals, Rs.2000 lakhs from TIES Grant and Rs.184 crores from bank loan was approved by the Board of TNTPO and the proposal was submitted for approval of the Department of Commerce, Ministry of Commerce and Industries, New Delhi.

The Expansion project of CTC has been approved by Hon'ble Commerce and Industry Minister as recommended by SFC, Department of Commerce, New Delhi vide letter No.2(2)/2017-TP section dated 21.08.2018. Subsequently the revised the sourcing of funds was decided as Rs. 14000 lakhs from internal accruals, Rs. 2000 lakhs from TIES grant, Government of India and Rs.14900 lakhs term loan from Financial Institution, totaling Rs. 30900 lakhs.

E-Tender was floated for expansion project on 23.01.2020. The technical evaluation was also completed and price bid was opened on 24.03.2020. Further, the work awarded to L1 Contractor M/s.NCC Ltd, Telangana to the contract value of Rs.308.75 crore. The construction work has been started on 25.09.2020 by M/s.NCC Ltd and the work is in progress. The percentage of the Physical Progress is 18.50% and Financial Progress of the project works out to 25.18%.

**40.12 COVID-19 Impact**

**Holding Company- ITPO & Group company- KTPO**

Coronavirus Disease (COVID-19) has resulted in significant decrease in economic activities. Accordingly, significant number of the events scheduled in 2021-22 were cancelled/ postponed by the company/ organisers, thus impacting the operations of the company substantially. Further, the IECC project activities were also impacted resulting in delay in completion of work.





NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

The management is of the view that the recoverability of carrying amount of assets and liabilities based on the current indicators of the future economic condition considering the probable impact of COVID 19. It is estimated as at the date of approval of financial statements that the Company will be able to recover the carrying amount of assets and settle its liabilities. However, the extent to which CoVID-19 pandemic will impact the Company's activities and financial results in the future will depend upon future developments which are highly uncertain. Hence, its impact may be different from that now estimated and the Company will continue to closely monitor any material changes to future economic conditions and the same will be accounted for as and when crystallized in the period to which it relates.

**Group Company: Tamil Nadu Trade Promotion Organization**

The impact of SARS-Cov-2 virus continues in the year 2021-22 also and the Government of Tamilnadu had further implemented lockdown from 24.04.2021. In view of the above, the Commissioner, Greater Chennai Corporation vide their letter No.W.D.C.No.0083-5/2021 dated 24.04.2021, had requested TNTPO to hand over the exhibition halls and convention centre for converting as treatment-cum-Care Centre with oxygen facility for COVID positive patients and the Exhibition Halls and Convention Centre was handed over to the Greater Chennai Corporation by TNTPO for the period from 27.04.2021 to 04.07.2021. The actual maintenance charges works out to Rs.1.67 crore (approx.) if the earlier Board decision adopted by TNTPO for claiming the actual expenses incurred as reimbursement for the above occupation by GCC.

Further, the claim of Rs.6.02 Crore for actual expenses incurred for the period from April-2020 to August-2020 (Rs.4.35 crore) and also for the period from 27.04.2021 to 04.07.2021 (Rs.1.67 crore) has been collected on 10.01.2022 as per the Board direction in its 63rd Meeting held on 05.02.2021.

The Additional Chief Secretary, Industries Department informed that the Government of Tamilnadu has allowed to conduct B2B exhibitions from 05.07.2021 onwards vide G.O.(Ms).No.435, dated 03.07.2021 issued by Revenue and Disaster Management (DM-IV) Department, Government of Tamilnadu. But, the TNTPO had to cancel 23 bookings during the above period from 05.07.2021 to 18.10.2021 as the Exhibition Halls were taken over by the Greater Chennai Corporation for establishing Covid Care Centre, since the Greater Chennai Corporation has vacated and handed over the Exhibition Halls to TNTPO on 18.10.2021 only. This has resulted in loss of revenue to the extent of Rs.10.63 crore plus GST @ 18% to TNTPO.

The Board of TNTPO has decided to claim the above revenue loss towards rental charges of Exhibition Halls from the Greater Chennai Corporation for the period from 05.07.2021 to 18.10.2021 through letter. Further, on receipt of sanction order from the Government of Tamilnadu, necessary invoice shall be raised favoring Greater Chennai Corporation and receipt of sanction of order from Government of Tamilnadu is awaited.

Subsequently, the Greater Chennai Corporation took over the Exhibition Halls and Convention Centre for establishing Covid Care Centre from 01.01.2022 to 28.02.2022 and the invoice for actual expenditure to the tune of Rs.84.81 lakhs excluding GST as reimbursement of maintenance charges has been raised to the Greater Chennai Corporation and payment is awaited.

From March,2022 onwards, Chennai Trade Centre is picking up with good amount of exhibitions and conferences and expecting a good revenue generation in the years to come.

**40.13 LEASES**

On adoption of Ind AS 116, the Group recognised lease liabilities and right-of-use (ROU) assets in relation to leases which had previously been classified as 'operating leases' under the principles of Ind AS 17 "Leases", except for those identified as low-value or having a remaining lease term of less than 12 months from the date of initial application. On transition, for leases previously accounted for as operating leases with a remaining lease term of less than 12 months and for leases of low-value assets, the Group has applied the optional exemptions to not recognise right-of-use assets but to account for the lease expense on a straight line basis over the remaining lease term.

The Group has taken immovable properties on lease which are generally long term in nature. Lease liabilities are measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as at initial recognition. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 April 2019 was 8.05%.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

**(Rs. In Lakhs)**

| Particulars | Category of ROU Asset | | Total |
|---|---|---|---|
| | Land | Office Flats | |
| **Balance as at March 31, 2020** | **1,093.66** | **192.81** | **1,286.47** |
| Addition | - | - | - |
| Deletion | - | - | - |
| Depreciation | 88.82 | 4.39 | 93.21 |
| **Balance as at March 31, 2021** | **1,004.84** | **188.42** | **1,193.26** |
| Addition | - | - | - |
| Deletion | - | - | - |
| Depreciation | 88.82 | 4.39 | 93.21 |
| **Balance as at March 31, 2022** | **916.02** | **184.03** | **1,100.05** |

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Income & Expenditure.

The break-up of current and non-current lease liabilities is as follows: **(Rs. in Lakhs)**

| Particulars | As at | As at |
|---|---|---|
| Current Lease Liability | 408.19 | 272.30 |
| Non-current Lease Liability | 1,119.56 | 1,184.57 |
| **Total** | **1,527.75** | **1,456.87** |

*The lease rents due since FY 2019-20, in case of group company- TNTPO, are pending for payment due to pending lease deed between TNTPO and District Collector, Chennai.

The movement in lease liabilities during the year is as follows: **(Rs. in Lakhs)**

| Particulars | Year ended March 31, | Year ended March 31, |
|---|---|---|
| Reclassified on account of adoption of Ind AS 116 | 1,456.87 | 1,381.13 |
| Addition | - | - |
| Finance cost accrued during the period | 95.00 | 99.84 |
| Deletion | | |
| Payment of Lease liabilities | 24.11 | 24.10 |
| **Balance as at 31st March 2022** | **1,527.76** | **1,456.87** |

The details of the contractual maturities of lease liabilities on an undiscounted basis are as follows: **(Rs. in Lakhs)**

| Particulars | As at March 31, | As at March 31, |
|---|---|---|
| Less than one year | 160.11 | 160.11 |
| One to five years | 639.45 | 639.45 |
| More than five years | 1,770.81 | 1,930.92 |
| **Total** | **2,570.37** | **2,730.48** |

The above information is only in respect of ITPO & TNTPO. There are no leases in respect of KTPO and ISL as per Ind AS 116 .

**Lease hold land at Ghazipur in case of Holding Company**

ROU asset includes written down value of Rs. 98.61 lakhs as on 31st March 2022 towards 1.5 acres of land allotted to the Company by DDA w.e.f. 1989 on perpetual lease for “Construction of staff quarters” at Ghazipur, Delhi at a cost of Rs 72.85 lakhs. Further, the cumulative expenditure of Rs 60.10 lakhs was incurred towards annual ground rent paid to DDA. During the year, the BOD in its 217th meeting held on 27th Aug. 2021 decided to request DDA to take back the land considering that inter-alia the land will not be required by the company now or in future. The company has, accordingly, requested DDA to refund Rs. 132.94 lakhs to the company along with the simple interest @ 9% for returning the land. Pending approval/ decision of DDA on the request of the company, no change in terms of lease are known to record the effect in the books of account. Hence, the ROU for the said land is continued at earlier terms and continued to be accounted as per Ind AS 116.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

**Leases- TNTPO**

As per the MOU signed between India Trade Promotion Organisation (ITPO) and Tamilnadu Industrial Development Corporation Ltd. (TIDCO) dated 13.11.2000, TIDCO had to provide land and meet land development expenses and ITPO had to take care of construction of the Exhibition Centre. Land measuring 25.48 acres was allotted by Government of Tamil Nadu vide G.O.Ms.No.568, Revenue (LA (2)) Department dated 6.11.2000. As per the subsequent G.O. Ms.No.28 dated 03.02.2003 of the Government of Tamilnadu, TNTPO has to pay a lease rent of Rs.100 Lakhs per year from 2001-02 to the Government of Tamilnadu through TIDCO for the land handed over to TNTPO on a long term lease of 30 years. Accordingly, the Company has paid lease rent to the Government of Tamilnadu through TIDCO up to the financial year 2018-19. Further, Nandambakkam has been attached to Alandur Taluk under the District of Greater Chennai Corporation vide Tamilnadu Government Gazette dated 04.01.2018 and henceforth the lease rent has to be made to the District Collector, Chennai. Accordingly, the lease deed has been executed between TNTPO and The District Collector, Chennai on 28.04.2022.

Further, TNTPO has taken over the possession of 9.13 acres of additional land on 24.03.2016, vide letter No.8427/MIE-1/2015-3 Industries (MIE-1), department dated 04.03.2016 in order to expedite implementation of Expansion Project of Chennai Trade Centre. The lease rent for the additional land 9.13 acre was provisionally fixed in proportionate to the lease amount of the existing land of 25.48 acres which works out to Rs.35.83 Lakhs. The same has been agreed by the District Collector, Chennai and accordingly the lease deed has been executed along with the existing land of 25.48 acres between the "Managing Director, TNTPO" and "The Collector, Chennai District" on 28.04.2022. Necessary provision has been made in the books of Accounts under the head of "Right to Use" (ROU) account for the period 24.03.2016 to 31.03.2022.

Effective April 1, 2019, the Company adopted Ind AS 116, Leases and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the Company's incremental borrowing rate at the date of initial application.

**40.14 Employee Benefits**

General description of various defined employee benefit schemes are as under:-

**I Defined Contribution Plans**

**Provident Fund**

The Holding Company pays its contribution relating to the Provident Fund of its employees, at the prescribed rates to the ITPO Employees' Contributory Provident Fund Trust which invests the funds in permitted securities. The contribution for the year is recognized as expense and is charged to the Statement of Income and Expenditure. The Holding Company is also under obligation to make good the shortfall of the trust, if any, and recognizes such shortfall as its expense.

The Group Company (TNTPO) pays its contribution relating to the Provident Fund of its employees, at the prescribed rates to the EPFO. The contribution for the year is recognized as expense and is charged to the Statement of Income and Expenditure.

**Pension Fund**

The Holding Company is under obligation to contribute specified amounts towards the Superannuation benefit of the employees to the ITPO Employees Defined Contribution Superannuation Trust. The contribution for the year is recognized as expense and is charged to the Statement of Income and Expenditure. The Holding Company is also under obligation to make good the shortfall of the trust, if any, and recognizes such shortfall as its expense.

Expense charged to the statement of Income & Expenditure as employer's contribution to these funds during the year is as under:

(Rs. in Lakhs)

| Particulars | 2021-22 | 2020-21 |
|---|---|---|
| Employer's contribution towards Provident Fund | 533.32 | 570.79 |
| Employer's contribution towards Pension Fund | 132.38 | 324.45 |
| **Total** | **665.70** | **895.24** |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

**II. Defined Benefits Plans**

**Gratuity**

The Group has a defined benefit gratuity scheme which is funded. A separate ITPO Employees Gratuity Fund Trust manages the affairs of the trust for the Holding Company. The funds of the trust are managed by LIC. In case of Group company TNTPO, the funds are managed by the company itself through investment in LIC. It is recognized in the books of the Group on the basis of actuarial valuation. Every employee who has rendered continuous service of 5 years or more is entitled to get gratuity at the rate of 15 days salary [15/26 x (last drawn basic salary + dearness allowance)] for each completed year of service, as per rules of the Company/ DPE guidelines on the subject.

**i. Expenses recognized in the statement of Income and Expenditure** **(Rs. In Lakhs)**

| Particulars | 2021-22 | 2020-21 |
|---|---|---|
| Interest cost | 13.41 | 48.17 |
| Service cost | 193.87 | 204.08 |
| Expenses as per actuarial valuation | 207.28 | 252.25 |
| Gratuity paid to employees not covered under Gratuity Trust | 0.80 | - |
| Expenses recognized in the statement of Income & Expenditure Account | **208.08** | **456.32** |
| Remeasurements: | | |
| Opening unrecognized Actuarial Gain/ (loss) | (953.96) | (932.55) |
| Actuarial gain/ (loss) for the year on Asset | 8.69 | (2.76) |
| Actuarial gain/ (loss) for the year on PBO due to change in: | | |
| -Demographic Assumption | - | - |
| -Financial Assumption | -46.87 | (25.64) |
| -Experience Assumption | -309.31 | 6.99 |
| **OCI recognized for the year** | **(347.49)** | **(21.41)** |
| Net actuarial gain/(loss) unrecognized in OCI at the end of the year | (1,301.45) | (953.96) |

**ii. The amount recognized in the Balance Sheet** **(Rs. In Lakhs)**

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Present value of the obligation at end of the year | 5,351.75 | 5,459.87 |
| Fair value of plan assets at end of year | 4,607.32 | 5,248.30 |
| Net liability recognized in Balance Sheet and related analysis | **744.43** | **211.58** |
| Funded/ (unfunded) Status | (744.43) | (211.58) |

**iii. Changes in the Present Value of Obligations:** **(Rs. In Lakhs)**

| Particulars | 2021-22 | 2020-21 |
|---|---|---|
| Present value of the obligation at the beginning of the year | 5,459.87 | 6,098.61 |
| Interest cost | 350.36 | 398.75 |
| Service cost | 193.86 | 204.08 |
| Benefits paid (if any) | (1,009.16) | (1,259.63) |
| Actuarial (gain)/loss | 356.82 | 18.07 |
| Present value of the obligation at the end of the year | **5,351.75** | **5,459.87** |

**iv. Maturity Profile:** **(Rs. In Lakhs)**

| Particulars | 2021-22 | 2020-21 |
|---|---|---|
| 0 to 1 year | 83.09 | 954.02 |
| 1 to 2 year | 90.94 | 651.83 |
| 2 to 3 year | 94.34 | 787.19 |
| 3 to 4 year | 75.35 | 791.60 |
| 4 to 5 year | 49.44 | 679.93 |
| 5 to 6 year | 36.55 | 446.24 |
| 6 year onwards | 101.79 | 1,116.55 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

**v. Sensitivity Analysis of the defined benefit obligation:** **(Rs. In Lakhs)**

| Particulars | 2021-22 | 2020-21 |
|---|---|---|
| **a) Impact of the change in discount rate** | | |
| Present Value of Obligation at the end of the year | 5,351.75 | 5,459.87 |
| a) Impact due to increase of 0.50 % | (135.99) | (137.00) |
| b) Impact due to decrease of 0.50 % | 62.89 | 142.37 |
| **b) Impact of the change in salary increase** | | |
| Present Value of Obligation at the end of the year | 5,351.75 | 5,459.87 |
| a) Impact due to increase of 0.50 % | 137.04 | 141.79 |
| b) Impact due to decrease of 0.50 % | (137.07) | (138.37) |

Sensitivities due to mortality & withdrawals are not material. Hence, impact of change, due to these, have not been calculated.

**vi. The assumptions employed for the calculations are tabulated below:**

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Discount rate #1 | 6.69% p.a. | 6.42% p.a. |
| Salary Growth Rate #2 | 6.50% p.a. | 6.00% p.a. |
| Mortality #3 | IALM 2012-14 | |
| Withdrawal rate (Per Annum) | 2.00% p.a. | |

**Note:**

#1 The Discount rate taken by TNTPO is 5.95% and 5.92% for 31.03.2022 and 31.03.2021 respectively.

#2 The Salary Growth Rate taken by TNTPO is 8.00% for 31.03.2022 and 31.03.2021.

#3 The Mortality Rate taken by TNTPO is based on IALM 2006-08 Ultimate for 31.03.2022 and 31.03.2021.

**vii. Expected contribution for the next annual reporting period** **(Rs. In Lakhs)**

| Particulars | 2021-22 | 2020-21 |
|---|---|---|
| Service Cost | 197.67 | 204.47 |
| Net Interest Cost | 49.64 | 13.27 |
| Expected Expense for the next annual reporting period | **247.31** | **217.74** |

**viii. Major categories of plan assets (as percentage of total plan assets)**

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Funds Managed by Insurer | 100% | 100% |
| **Total** | **100%** | **100%** |

**ix. Change in Fair Value of Plan Assets** **(Rs. in Lakhs)**

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Fair value of plan assets at the beginning of the period | 5,248.30 | 5,360.02 |
| Difference in Opening Fund | - | - |
| Actual return on plan assets | 353.70 | 356.28 |
| Less- FMC Charges | (7.43) | (9.04) |
| Employer contribution | 21.91 | 800.67 |
| Benefits paid | (1,009.16) | (1,259.63) |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

**III. Other Long Term Employee Benefits**

**Leave Encashment**

In case of Holding company ITPO, the scheme of leave encashment is unfunded. It is recognized in the books of the Holding Company on the basis of actuarial valuation. The encashment of Earned Leave (EL) and Half-Pay Leave (HPL) benefits to the employees of the Company accrue annually at the rate of 30 days and 20 days respectively. The BoD in its 214th meeting held on 22.09.2020 have revised the EL encashment during service subject to a maximum of 50% of the earned leave at credit or 20 days whichever is less, once in a calendar year leaving minimum balance of 30 days. EL is encashable subject to a maximum of 300 days on superannuation/ death / resignation etc. HPL is encashable only on superannuation / death / resignation etc. up to a maximum of 300 days as per the rules of the Holding company. An overall ceiling of encashment of EL and HPL for 300 days is prescribed at the time of superannuation / death / resignation, etc.

In case of Group company TNTPO, the scheme of leave encashment is unfunded. It is recognized in the books of TNTPO on the basis of actuarial valuation. The encashment of Earned Leave (EL) and Half-Pay Leave (HPL) benefits to the employees of TNTPO accrue annually at the rate of 30 days and 20 days respectively. While in service, EL is encashable subject to a maximum of 60 days once in a calendar year leaving minimum balance of 30 days. However, employees within one year of their superannuation are allowed encashment of EL twice in a calendar year subject to the proviso that 30 days EL should be in credit at all times. EL is also encashable subject to a maximum of 300 days on superannuation / death / resignation etc. HPL is encashable only on superannuation / death / resignation etc. up to a maximum of 300 days as per the Rules of the Company. An overall ceiling of encashment of EL and HPL for 300 days is prescribed at the time of superannuation / death / resignation, etc.

**i. Expenses recognized in the Statement of Income and Expenditure** **(Rs. In Lakhs)**

| Particulars | 2021-22 | 2020-21 |
|---|---|---|
| Interest cost | 149.38 | 159.97 |
| Service cost | 105.32 | 113.83 |
| Net actuarial (gain)/loss recognized in the period | 218.10 | 186.09 |
| Expenses recognized in the Statement of Income and Expenditure | **472.80** | **459.89** |

**ii. The amount recognized in the Balance Sheet** **(Rs. In Lakhs)**

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Present value of the obligation at end of the year | 2,467.43 | 2,331.56 |
| Net liability recognized in Balance Sheet and related analysis | 2,467.43 | 2,331.56 |
| Unfunded Status | (2,467.43) | (2,331.56) |

**iii. Changes in the Present Value of Defined Benefit Obligations:** **(Rs. In Lakhs)**

| Particulars | 2021-22 | 2020-21 |
|---|---|---|
| Present value of the obligation at the beginning of the year | 2,331.56 | 2,448.85 |
| Interest cost | 149.38 | 159.97 |
| Service cost | 105.32 | 113.83 |
| Benefits paid | (336.94) | (577.17) |
| Actuarial (gain)/loss from changes in: | | |
| -Demographic Assumption | - | - |
| -Financial Assumption | 26.08 | 13.60 |
| -Experience Assumption | 192.02 | 172.49 |
| Present value of the obligation at the end of the year | **2,467.43** | **2,331.56** |

**iv. Maturity Profile:** **(Rs. In Lakhs)**

| Particulars | 2021-22 | 2020-21 |
|---|---|---|
| 0 to 1 year | 370.34 | 412.27 |
| 1 to 2 year | 362.16 | 846.10 |
| 2 to 3 year | 418.58 | 283.18 |
| 3 to 4 year | 297.27 | 199.59 |
| 4 to 5 year | 223.98 | 132.37 |
| 5 to 6 year | 159.98 | 99.44 |
| 6 year onwards | 591.47 | 319.95 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

**v. Sensitivity Analysis of the defined benefit obligation:**

| Particulars | 2021-22 | 2020-21 |
|---|---|---|
| **a) Impact of the change in discount rate** | | |
| Present Value of Obligation at the end of the year | 2,467.43 | 2,331.56 |
| a) Impact due to increase of 0.50% | (91.57) | (92.25) |
| b) Impact due to decrease of 0.50% | 95.89 | 96.44 |
| **b) Impact of the change in salary increase** | | |
| Present Value of Obligation at the end of the year | 2,467.43 | 2,331.56 |
| a) Impact due to increase of 0.50% | 95.20 | 96.36 |
| b) Impact due to decrease of 0.50% | (92.24) | (92.57) |

Sensitivities due to mortality & withdrawals are not material. Hence, impact of change due to these have not been calculated.

**vi. Bifurcation of PBO at the end of year in current and non current** **(Rs. In Lakhs)**

| Particulars | 2021-22 | 2020-21 |
|---|---|---|
| Current liability (Amount due within one year) | 378.33 | 417.24 |
| Non-Current liability (Amount due over one year) | 2,089.10 | 1,914.32 |
| Total PBO at the end of year | **2,467.43** | **2,331.56** |

**vii. The assumptions employed for the calculations are tabulated below:**

| Particulars | As at | As at |
|---|---|---|
| Discount rate #1 | 6.69% per annum | 6.42% per annum |
| Salary Growth Rate #2 | 6.50% per annum | 6.00% per annum |
| Mortality #3 | IALM 2012-14 | IALM 2012-14 |
| Withdrawal rate (Per Annum) | 2.00% per annum | 2.00% per annum |

#1 The Discount rate taken by TNTPO is 5.95% and 5.92% for 31.03.2022 and 31.03.2021 respectively.

#2 The salary Growth Rate taken by TNTPO is 8% per annum.

#3 The Mortality Rate taken by TNTPO is based on IALM 2006-08 Ultimate for 31.03.2022 and 31.03.2021.

**viii.** In case of holding company ITPO, Leave encashment while in service for all employees is temporarily suspended till 31.03.2023.

**ix.** In case of KTPO, the Provident Fund Act and Gratuity Act is not applicable to the said company as the number of employees is less than the minimum prescribed number and the employees are on deputation from Government of Karnataka, leave salary and pension contribution are provided and charged to the Statement of Income & Expenditure Account on accrual basis as intimated by Government of Karnataka, thus, there is no need of actuarial valuation for the said company. Hence, applicable disclosure requirement under Ind AS 19 are not applicable.

In case of ISL, There is No regular employees, the nominated office of holding company are serving as temporary employees on additional charge basis. Therefore disclosure as per the requirement of Ind AS 19 is not applicable.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

**40.15 Trade Receivables ageing schedule**

**As on 31st March 2022**

| Particulars | Outstanding for following periods from billing date | | | | | |
|---|---|---|---|---|---|---|
| | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Undisputed – considered good | 587.83 | 5.84 | 55.93 | 55.02 | 146.42 | 851.03 |
| (ii) Undisputed – which have significant increase in credit risk | - | - | - | 2.35 | 277.58 | 279.93 |
| (iii) Undisputed – credit impaired | - | - | - | - | - | - |
| (iv) Disputed– considered good | - | - | - | - | - | - |
| (v) Disputed – which have significant increase in credit risk | - | - | 78.58 | - | 605.14 | 683.71 |
| (vi) Disputed – credit impaired | - | - | - | - | - | - |

**As on 31st March 2021**

| Particulars | Outstanding for following periods from billing date | | | | | |
|---|---|---|---|---|---|---|
| | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Undisputed – considered good | 592.88 | 17.56 | 176.95 | 55.05 | 82.57 | 924.99 |
| (ii) Undisputed – which have significant increase in credit risk | - | - | - | - | 604.61 | 604.61 |
| (iii) Undisputed – credit impaired | - | - | - | - | - | - |
| (iv) Disputed– considered good | - | - | - | - | - | - |
| (v) Disputed – which have significant increase in credit risk | - | - | 2.35 | 2.20 | 328.94 | 333.48 |
| (vi) Disputed – credit impaired | - | - | - | - | - | - |

**40.16 Trade Payables ageing schedule**

**As on 31st March 2022**

| Particulars | Outstanding for following periods from date of record | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) MSME | 6.12 | - | - | - | 6.12 |
| (ii) Others | 855.98 | 86.93 | 42.33 | 111.07 | 1,096.31 |
| (iii) Disputed dues – MSME | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - |

**As on 31st March 2021**

| Particulars | Outstanding for following periods from date of record | | | | |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) MSME | 19.30 | - | - | - | 19.30 |
| (ii) Others | 1,073.70 | 13.19 | 84.01 | 92.00 | 1,262.90 |
| (iii) Disputed dues – MSME | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - |



**40.17 PROMOTER'S SHAREHOLDING**

**As at 31st March 2022**

| Promoter's name | No. of Shares | %of total shares | % Change |
|---|---|---|---|
| Government of India | 25,000.00 | 100% | - |
| **Total** | **25,000.00** | **100%** | |

**As at 31st March 2021**

| Promoter's name | No. of Shares | %of total shares | % Change |
|---|---|---|---|
| Government of India | 25,000.00 | 100% | - |
| **Total** | **25,000.00** | **100%** | |

**40.18 Balances with Struck off Companies in case of Holding Company**

**(Rs. in lakhs)**

| Nature of transactions & Name of struck off Company | Balance outstanding as on 31.3.22 | Relationship with the Struck off company |
|---|---|---|
| **Trade Receivables (Note 12)** | | |
| MOOG AUTOMOTIVES (I) PVT LTD | 1.02 | Nil |
| GULATI CATERERS PVT LTD | 130.57 | Nil |
| BIG VISION EVENTS PRIVATE LTD | 0.22 | Nil |
| CYNOSURE MEDIA SOLUTIONS PVT LTD | 0.41 | Nil |
| INTRA LINKS EXHIBITIONS & CONF P LTD | 1.44 | Nil |
| KARSUN INTERNATIONAL LTD | 5.74 | Nil |
| BETA AVIATION PVT LTD | 45.66 | Nil |
| PIXIE PUBLICATION INDIA PVT LTD | 0.70 | Nil |
| PICO INTERNATIONAL (I) LTD | 0.46 | Nil |
| CIRCUMFERENCE INFO SERVICES PVT LTD | 0.12 | Nil |
| | **186.33** | |
| **Advance received from customers (Note 30)** | | |
| ORGANIC WELLNESS PRODUCTS PRIVATE LIMITED | 1.54 | Nil |
| SUNNY OVERSEAS | 4.67 | Nil |
| U R MEDIA EXHIBITOR PVT LTD | 1.37 | Nil |
| | **7.58** | |
| **Refund due to customers (Note 29)** | | |
| BROTHER ENTERPRISES HOLDING CO LTD | 0.04 | Nil |
| CREATIVE HYGIENE PRIVATE LIMITED | 0.07 | Nil |
| DURGA TRADING COMPANY | 0.03 | Nil |
| EMICLEAN CHEMICALS PVT LTD | 0.03 | Nil |
| FOUR SQUARE MEDIA PVT LTD-DELHI | 0.02 | Nil |
| HILTON CONSUMER PRODUCT PVT LTD | 2.08 | Nil |
| JMD INTERNATIONAL | 0.00 | Nil |
| M K ENTERPRISES-DELHI- | 0.02 | Nil |
| MUTTI FOODS INDIA PRIVATE LIMITED | 0.40 | Nil |
| PARAS INDUSTRIES | 0.05 | Nil |
| PRACHALIT INFOMEDIA PVT LTD | 0.36 | Nil |
| RISHI OVERSEAS | 0.26 | Nil |
| SALONI IMPEX | 0.04 | Nil |
| SONA IMPEX-OYA CHOCOLATES | 0.44 | Nil |
| SUNNY OVERSEAS | 0.77 | Nil |
| UNISON ELECTROVISION PVT LTD | 0.02 | Nil |
| | **4.63** | |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

**40.19 RELATED PARTY DISCLOSURES**

**(a) LIST OF RELATED PARTIES**

| Name of Related Parties | Principal Place of Operation | Nature of relationship |
|---|---|---|
| ITPO Employees Contributory Provident Fund Trust | India | Post -Employment Benefit Plan of ITPO |
| ITPO Employees Group Gratuity Fund Trust | India | Post - Retirement Benefit Plan of ITPO |
| ITPO Employees Defined Contribution Superannuation Trust | India | Post - Retirement Benefit Plan of ITPO |
| Tamilnadu Industrial Development Corporation Ltd (TIDCO) | India | Co-promoter of Subsidiary Company- TNTPO |
| Karnataka Industrial Area Development Board (KIADB) | India | Co-promoter of Subsidiary Company- KTPO |

**(Rs. In Lakhs)**

**(b)**

| TRANSACTIONS WITH RELATED PARTIES | 2021-22 | 2020-21 |
|---|---|---|
| **ITPO Employees Contributory Provident Fund Trust** | | |
| Contribution by ITPO (including employees' contribution) | 954.71 | 2074.07 |
| **ITPO Employees Group Gratuity Fund Trust** | | |
| Contribution by ITPO | 553.10 | 797.00 |
| **ITPO Employees Defined Contribution Superannuation Trust** | | |
| Contribution by ITPO (including employees' contribution) | 192.36 | 420.00 |
| **Karnataka Industrial Area Development Board (KIADB)** | | |
| Due for services | 5.00 | 5.00 |

**(c) OUTSTANDING BALANCES WITH RELATED PARTIES** **(Rs. In Lakhs)**

| | Particulars | 31.03.2022 | 31.03.2021 |
|---|---|---|---|
| (i) | **Payable by Group** | | |
| | ITPO Employees Contributory Provident Fund Trust | 4.88 | - |
| | ITPO Employees Group Gratuity Fund Trust | 742.03 | 206.74 |
| | ITPO Employees Defined Contribution Superannuation Trust | - | - |
| | Karnataka Industrial Area Development Board-Co-Promoter | 76.93 | 71.93 |
| | Tamilnadu Industrial Development Corporation - TIDCO | 515.78 | 379.94 |
| | Dr. Arunkumar H R (Managing Director) | 1.41 | 0.91 |
| (ii) | **Receivable by Group** | | |
| | ITPO Employees Contributory Provident Fund Trust | - | 185.35 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

**(d) KEY MANAGEMENT PERSONNEL**

| Name | Relationship |
|---|---|
| **Holding Company- India Trade Promotion Organization** | |
| Sh. Pradeep Singh Kharola (w.e.f. 20.10.2022) | Chairman & Managing Director |
| Sh. Vibhu Nayar (w.e.f. 17.09.2021) | Executive Director |
| Sh. Shashank Priya | Nominee Director |
| Ms. Mercy Epao (w.e.f. 20.07.2022) | Nominee Director |
| Dr. Krishan Kumar (w.e.f. 24.05.2022) | Nominee Director |
| Sh. Noor Rahman Sheikh (w.e.f. 27.12.2021) | Nominee Director |
| Ms. V.G. Aravindanayagi | Independent Director |
| Rear Admiral (Retd.) R K Shrawat | Independent Director |
| Sh. Om Prakash Chalniwale (w.e.f. 03.11.2021) | Independent Director |
| Sh. L C Goyal (till 01.09.2022) | Chairman & Managing Director |
| Sh. B V R Subrahmanyam (w.e.f. 02.09.2022 to 30.09.2022) | Chairman & Managing Director |
| Sh. Rajesh Agrawal (till 21.06.2021) | Executive Director |
| Smt. Alka Nangia Arora (till 20.07.2022) | Nominee Director |
| Sh. P. Harish (till 27.12.2021) | Nominee Director |
| Sh. Amitabh Kumar (till 24.05.2022) | Nominee Director |
| Sh. D M Sharma (till 30.04.2021) | CFO |
| Sh. S R Sahoo (CFO w.e.f. 01.05.2021 till 05.10.2021) | Company Secretary & CFO |
| Sh. Raj Kumar Thakur (w.e.f. 06.10.2021) | Incharge CFO |
| **Group Company- Tamilnadu Trade Promotion Organization** | |
| Smt R. Rajendran | Managing Director |
| **Group Company- Karnataka Trade Promotion Organization** | |
| Dr. Arun Kumar H R | Managing Director |
| **Group Company- ITPO Service Limited** | |
| Sh. Vibhu Nayar (w.e.f.17.09.2021) | Chairman & Managing Director |
| Sh. Rajesh Agrawal | Chairman & Managing Director |
| Dr. Krishan Kumar (w.e.f. 23.05.2022) | Director |
| Sh. Amitabh Kumar (w.e.f. 10.11.2020 till 23.05.2022) | Director |
| Sh. Praveen Mahto (w.e.f. 11.02.2021 till 01.12.2021) | Director |
| Sh. Ajay Srivastava (w.e.f. 10.11.2020 till 11.02.2021) | Director |
| Ms. Nidhi Mani Tripathi (w.e.f. 24.05.2020 | Director |
| Ms. Rupa Dutta (w.e.f. 01.06.2020 till | Director |
| Sh. Dr. C Vanlalramsanga (w.e.f. 01.12.2021 ) | Director |

**Note: Related Parties and their relationship is as identified by the Group.**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

**(e) COMPENSATION FOR KEY MANAGEMENT PERSONNEL** (Rs. In Lakhs)

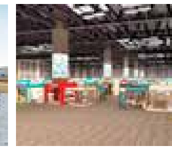
| | Name of Person | Designation | Salary & Allowances | Perks | Total Renumeration |
|---|---|---|---|---|---|
| | **(2021-22)** | | | | |
| | **Holding Company- India Trade Promotion Organization** | | | | |
| 1 | Sh. L C Goyal | CMD | 22.59 | 25.52 | 48.11 |
| 2 | Sh. Rajesh Agrawal | Executive Director | 10.39 | 1.95 | 12.34 |
| 3 | Sh. Vibhu Nayar | Executive Director | 19.31 | 1.75 | 21.06 |
| 4 | Ms. V. G. Aravindanayagi | Independent Director | - | - | - |
| | -Sitting Fees of Rs 1.60 lakhs (Refer Note 37) | | | | |
| 5 | Rear Admiral (Retd.) R K Shrawat | Independent Director | - | - | - |
| | - Sitting Fees of Rs 1.80 lakh (Refer Note 37) | | | | |
| 6 | Sh. Om Prakash Chalniwale | Independent Director | - | - | - |
| | - Sitting Fees of Rs 0.60 lakh (Refer Note 37) | | | | |
| 7 | Sh. D M Sharma | CFO | 12.22 | 0.13 | 12.35 |
| 8 | Sh. S R Sahoo | Company Secretary & CFO | 24.00 | 0.56 | 24.56 |
| | (CFO w.e.f. 01.05.2021 till 05.10.2021) | | | | |
| 9 | Sh. Raj Kumar Thakur | Incharge CFO | 20.32 | 1.35 | 21.67 |
| | **Group Company- Tamilnadu Trade Promotion Organization** | | | | |
| 1 | Shri R. Rajendran | Managing Director | 10.11 | 0.40 | 10.51 |
| | **Group Company- Karnataka Trade Promotion Organization** | | | | |
| 1 | Dr. Arunkumar H R | Managing Director | 20.73 | - | 20.73 |
| | **(2020-21)** | | | | |
| | **Holding Company- India Trade Promotion Organization** | | | | |
| 1 | Sh. L C Goyal | CMD | 23.43 | 22.55 | 45.98 |
| 2 | Sh. Rajesh Agrawal | Executive Director | 32.09 | 4.60 | 36.69 |
| 4 | Ms. V. G. Aravindanayagi | Independent Director | - | - | - |
| | -Sitting Fees of Rs 1.40 lakh (Refer Note 37) | | | | |
| 5 | Rear Admiral (Retd.) R K Shrawat | Independent Director | - | - | - |
| | -Sitting Fees of Rs 1.00 lakh (Refer Note 37) | | | | |
| 6 | Sh. D M Sharma | CFO | 31.75 | 2.22 | 33.97 |
| 7 | Sh. S R Sahoo | Company Secretary | 23.39 | 1.19 | 24.58 |
| | **Group Company- Tamilnadu Trade Promotion Organization** | | | | |
| 1 | V. R. Subbulaxmi | Managing Director | 15.58 | 0.10 | 15.68 |
| 2 | Sh. R Rampradeepan | Managing Director | 1.75 | - | 1.75 |
| | **Group Company- Karnataka Trade Promotion Organization** | | | | |
| 1 | Dr. Veeranna S.H | Managing Director | 9.45 | - | 9.45 |
| 2 | Dr. Arunkumar H R | Managing Director | 5.06 | - | 5.06 |
| 3 | Shri V T Venkatesh | Managing Director | 0.21 | - | 0.21 |

**(f) TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL** (Rs. In Lakhs)

| Particulars | 2021-22 | 2020-21 |
|---|---|---|
| **Compensation to Key management personnel** | | |
| - Short Term Employee Benefits | 159.05 | 153.93 |
| - Post Employment Benefits * | 12.28 | 19.44 |
| - Other Long Term Benefits | - | - |
| - Termination Benefits | - | - |
| - Share Based Payment | - | - |
| - Sitting Fee | 4.00 | 2.40 |
| **Total** | **175.33** | **175.77** |

* Actuarial values in respect of Leave encashment and gratuity is not seperately identifiable from actuarial report, therefore not included above.







**40.20 CORPORATE SOCIAL RESPONSIBILITY**

**(i) Holding Company- ITPO**

(Rs. In Lakhs)

| | | As at 31st March 2022 | As at 31st March 2021 |
|---|---|---|---|
| A | Gross amount lying pending for the earlier years at the beginning of the year | 319.56 | 122.1 |
| B | Gross amount required to be spent by the Company during the year as per Section 135 of Companies Act, 2013 | 51.81 | 197.46 |
| C | Amount approved by the Board to be spent during the year | 2.26 | - |

| | | In cash | Yet to be paid | Total |
|---|---|---|---|---|
| D | Amount spent during the year: | | | |
| | 2021-22: | | | |
| | i) Construction/acquisition of any asset | - | - | - |
| | ii) On purposes other than (i) above | 2.26 | - | 2.26 |
| | 2020-21: | | | |
| | i) Construction/acquisition of any asset | - | - | - |
| | ii) On purposes other than (i) above | - | - | - |

| | | 2021-22 | 2020-21 |
|---|---|---|---|
| E | Details related to spent / unspent obligations: | | |
| | i) Contribution to Public/ Charitable Trust (related party) | - | - |
| | ii) Unspent amount in relation to: | | |
| | - Ongoing project | 20.50 | 209.5 |
| | - Other than ongoing project | 733.34 | 180.12 |
| F | Shortfall at the end of the year (unpaid in separate CSR Account within stipulated period or unapproved expenditure) | Nil | Nil |
| G | Reason for shortfall | Not applicable | |

**Details of ongoing project and other than ongoing project**

| | | | |
|---|---|---|---|
| H | **In case of S. 135(6)- Ongoing Project** | **2021-22** | **2020-21** |
| i. | Opening Balance: | | |
| | > With Company | 209.50 | 395.28 |
| | > In separate CSR Unspent A/c | - | - |
| ii. | Less: Amount spent during the year: | | |
| | > From Company's bank A/c | 11.16 | 5.66 |
| | > From separate CSR Unspent A/c | - | - |
| iii. | Less: Projects cancelled/ refund (refer E(ii) above) | 177.84 | 180.12 |
| iv. | Closing Balance: | | |
| | > With Company (Provision of CSR) | **-** | **209.50** |
| | > In separate CSR Unspent A/c | **20.50** | - |

| | | | |
|---|---|---|---|
| I | **In case of S. 135(5)- Other than ongoing project** | **2021-22** | **2020-21** |
| i. | Opening Balance | 499.68 | 122.1 |
| | + Amount required to be spent during the year | 51.81 | 197.46 |
| | + Ongoing project Cancelled | 177.84 | 180.12 |
| | +Interest earned on Specified Fund | 6.27 | 0.00 |
| | - Amount spent during the year | 2.26 | 0 |
| ii. | Closing Balance | 733.34 | 499.68 |
| iii | Provision of CSR (refer E(iii) above) | 733.34 | 180.12 |
| iv. | Liability Unrecognised (A + B) | - | 319.56 |
| v. | Accumulated amount deposited in specified Fund of Sch. VII within 6 months | 733.32 | 698.00 |

| | | | |
|---|---|---|---|
| J. | Total Balance in separate CSR Account within 6 months (H(iv) + I(v)) | 753.82 | 698.00 |
| K. | Provision for CSR (H(iv) + I(iii)) (refer note 31 for movement) | 733.34 | 389.62 |



**(ii) Tamil Nadu Trade Promotion Organization (TNTPO):**

Section 135 of the Companies Act, 2013 and Rules made thereunder prescribe that every company having a net worth of Rs. 50000 lakhs or more, or turnover of Rs. 1,00,000 Lakhs or more or a net profit of Rs. 500 lakhs or more during any financial year shall ensure that the company spends, in every financial year, at least 2% of the average net profits made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy. The provisions pertaining to corporate social responsibility as prescribed under the Companies Act, 2013 applicable to Tamilnadu Trade Promotion Organization, a Section 8 Company and Central Public sector Enterprise. The financial details as sought by the Companies Act,2013 are as follows:

**(Rs. In Lakhs)**

| | **Year ended 31.03.2022** | | **Year ended 31.03.2021** | |
|---|---|---|---|---|
| a) Gross amount required to be spent | | 73.07 | | 73.07 |
| b) Amount approved by the Board to be spent | | 51.59 | | 73.07 |
| c) Amount spent during 2021-22: | **In cash** | **Yet to be paid in cash** | **In cash** | **Total** |
| i) Construction/acquisition of any asset | — | — | — | — |
| ii) On purposes other than (i) above | — | 51.59 | — | 51.59 |
| d) Amount spent during 2020-21: | **In cash** | **Yet to be paid in cash** | | **Total** |
| i) Construction/acquisition of any asset | — | — | — | — |
| ii) On purposes other than (i) above (including interest earned during the year) | — | 73.07 | — | 73.07 |
| e) Details related to spent / unspent obligations: | | **As at 31st March 2022** | | **As at 31st March 2021** |
| i) Contribution to Public Trust | | - | | - |
| ii) Contribution to Charitable Trust | | - | | - |
| iii) Unspent amount in relation to: | | | | |
| - Ongoing project | | - | | - |
| - Other than ongoing project | | 124.66 | | 73.07 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

*The Board in its 66th meeting of TNTPO held on 22.03.2022 resolved to constitute the CSR Committee with the following members:-

1. Shri R.Rajendran, Managing Director, (One of the Directors of Board)
2. Shri Sahoo, General Manger and Company Secretary of ITPO (One of the Directors of Board)
3. Shri R. Karthikeyan, General Manager, TIDCO (One of the Directors of Board)

An amount of Rs.51.59 lakhs had been transferred to TNTPO Unspent Corporate Social Responsibility Account during the year 2021-22, of which Rs.10 lakhs had been utilised and paid on 01.04.2022 towards Clean Ganga Mission, Govt of India as resolved in its 66th Board Meeting of TNTPO held on 22.03.2022.

**As on 31st March 2022**

| In case of S. 135(5) (Other than ongoing project) | | | | | |
|---|---|---|---|---|---|
| **Opening Balance** | **Amount deposited in Specified Fund of Sch. VII within 6 months** | **Amount required to be spent during the year** | **Amount spent during the year** | **Interest Earned during the year** | **Closing Balance** |
| 73.07 | 51.59 | 124.66 | 0 | 1.08 | 125.74 |

**As on 31st March 2021**

| In case of S. 135(5) (Other than ongoing project) | | | | |
|---|---|---|---|---|
| **Opening Balance** | **Amount deposited in Specified Fund of Sch. VII within 6 months** | **Amount required to be spent during the year** | **Amount spent during the year** | **Closing Balance** |
| - | 73.07 | 68.40 | - | 73.07 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

**(iii) Karnataka Trade Promotion Organization (KTPO):**

Section 135 of the Companies Act, 2013 and Rules made there under prescribe that every company having a net worth of Rs. 500 crore or more, or turnover of Rs. 1,000 crore or more or a net profit of Rs.5,00,00,000/- or more the immediately preceding financial year shall ensure that the company spends, in every financial year, at least 2% of the average net profits made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy. The provisions pertaining to corporate social responsibility as prescribed under the Companies Act, 2013 applicable to Karnataka Trade Promotion Organisation, a Section 8 Company and Central Public sector Enterprise. The financial details as sought by the Companies Act,2013 are as follows:

**(Rs. In Lakhs)**

| **Particulars** | **Year ended 31.03.2022** | **Year ended 31.03.2021** |
|---|---|---|
| a) Gross amount required to be spent by the Company during the year | 11.24 | 13.74 |
| b) Amount approved by the Board to be spent | 11.24 | 13.74 |
| c) Amount spent during the year ending on 31 March 2022: | | |
| i) Construction/acquisition of any asset | - | - |
| ii) On purposes other than (i) above | - | - |
| d) Amount spent during the year ending on 31 March 2021: | | |
| i) Construction/acquisition of any asset | - | - |
| ii) On purposes other than (i) above | - | 12.00 |
| e) Short fall at the end of the year | 34.40 | 23.16 |
| f) Total of previous years shortfall | 23.16 | 9.42 |
| g) Reason for shortfall : | Floating of E - Tender for construction as per Board approval is in progress | Proposals/ Approvals awaited |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

| h) Details related transactions: | Year ended 31.03.2022 | Year ended 31.03.2021 |
|---|---|---|
| i) Contribution to Public Trust | - | - |
| ii) Contribution to Charitable Trust | - | - |
| i) Details of provision made with respect to liability incurred by entering into a contractual obligation | - | - |
| j) Details related to spent / unspent obligations: | As at 31st March 2022 | As at 31st March 2021 |
| i) Contribution to Public Trust | - | - |
| ii) Contribution to Charitable Trust | - | - |
| iii) Contribution to Health & Sanitation expenses | - | 12.00 |
| iii) Unspent amount in relation to: | - | |
| - Ongoing project | 34.40 | 23.16 |
| - Other than ongoing project | - | - |

(iv) In case of excess amount spent, the following disclosure should be made: (If applicable)

| In case of S. 135(5) Excess amount spent | | | |
|---|---|---|---|
| **Opening Balance** | **Amount required to be spent during the year** | **Amount spent during the year** | **Closing Balance** |
| Nil | Nil | Nil | Nil |

**Details of ongoing project and other than ongoing project**
**For the F.Y 2021-22**

| In case of S. 135(6) (Ongoing Project) | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Opening Balance** | | **Amount required to be spent during the year** | **Amount spent during the year** | | **Closing Balance** | |
| **With Company** | **In Separate CSR Unspent A/c** | | **From Company's bank A/c** | **From Separate CSR Unspent A/c** | **With Company** | **In Separate CSR Unspent A/c** |
| 23.16 | - | 11.24 | - | - | | 34.40 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

**For the F.Y 2020-21**

| In case of S. 135(6) (Ongoing Project) | | | | | | |
|---|---|---|---|---|---|---|
| Opening Balance | | Amount required to be spent during the year | Amount spent during the year | | Closing Balance | |
| With Company | In Separate CSR Unspent A/c | | From Company's bank A/c | From Separate CSR Unspent A/c | With Company | In Separate CSR Unspent A/c |
| - | - | 23.16 | - | - | 23.16 | - |

**For the F.Y 2021-22**

| In case of S. 135(5) (Other than ongoing project) | | | | |
|---|---|---|---|---|
| Opening Balance on 1st April 2021 | Amount deposited in Specified Fund of Sch. VII within 6 months | Amount required to be spent during the year | Amount spent during the year | Closing Balance as on 31st March 2022 |
| - | - | - | - | - |

**For the F.Y 2020-21**

| In case of S. 135(5) (Other than ongoing project) | | | | |
|---|---|---|---|---|
| Opening Balance on 1st April 2021 | Amount deposited in Specified Fund of Sch. VII within 6 months | Amount required to be spent during the year | Amount spent during the year | Closing Balance as on 31st March 2022 |
| **21.42** | **0.00** | **13.74** | **12.00** | **23.16** |

**Movement in Provisions for CSR as on 31st March 2022**

| Opening Balance | Provision made during the year | Payment made during the year | Closing balance |
|---|---|---|---|
| - | - | - | - |

**Movement in Provisions for CSR as on 31st March 2021**

| Opening Balance | Provision made during the year | Payment made during the year | Closing balance |
|---|---|---|---|
| **21.42** | **13.74** | **12.00** | **23.16** |

| Particulars | As at 31 March 2022 | As at 31 March 2021 |
|---|---|---|
| Average net profit of the Company for last three financial years | 562.23 | 687.02 |
| Prescribed CSR expenditure (2% of the average net profit as computed above) | 11.24 | 13.74 |
| Details of CSR expenditure during the financial year on: | | |
| (i) Construction/acquisition of any asset | - | - |
| (ii) On purposes other than (i) above | - | 12.00 |
| Break-up of the amount spent on CSR | - | |
| Health and Sanitation expenses | - | 12.00 |
| PM Cares Fund | | |
| Amount Unspent for the year 2017-18 | 6.94 | 6.94 |
| Amount unspent for 2016-17 | 8.52 | 8.52 |
| Amount Unspent for 2015-16 | 8.82 | 8.82 |
| Amount Unspent for 2014-15 | 6.81 | 6.81 |
| **Total Unspent from 2014-15 to 2017-18** | **31.09** | **31.09** |
| **Summary:** | | |
| Amount unspent as per FS upto 31.03.2018 (provision is not made in books) | 31.09 | |
| Presribed CSR provision from 01.04.2018 to 31.03.2021 | 34.07 | |
| Total upto 31st March 2021 | **65.16** | |
| Total Amount spent upt 31st March 2021 | 42.00 | |
| Total Unspent amount as on 31st March 2021 | **23.16** | |

**(iv)** CSR was not applicable to the Group company ISL due to loss during the year 2021-22.





**40.21 Financial Instruments - Fair Values Measurement and Financial Risk Management**

**I Fair Value Measurements**

**A. Financial Instruments by Category** **(Rs. In Lakhs)**

| Particulars | As at 31 March 2022 | | As at 31 March 2021 | |
|---|---|---|---|---|
| | FVTPL | Amortised Cost | FVTPL | Amortised Cost |
| **Financial Assets** | | | | |
| **Non-current assets** | | | | |
| Investments | - | - | - | - |
| Loans | - | 954.11 | - | 1,095.02 |
| Other Financial Assets | - | - | - | 796.00 |
| **Current assets** | | | | |
| Investments | 113.01 | - | 95.57 | - |
| Trade receivables | - | 851.04 | - | 916.99 |
| Cash and Cash Equivalents | - | 3,265.97 | - | 5,274.70 |
| Bank Balances other than Cash and Cash | - | 49,312.32 | - | 48,758.10 |
| Loans | - | 193.00 | - | 456.13 |
| Other Financial assets | - | 4,359.75 | - | 1,537.16 |
| **Total** | **113.01** | **58,936.19** | **95.57** | **58,834.10** |
| **Financial Liabilities** | | | | |
| **Non-current Liabilities** | | | | |
| Borrowings | - | 39,957.25 | - | 32,967.68 |
| Lease Liabilities | - | 1,119.57 | - | 1,184.57 |
| **Current Liabilities** | | | | |
| Borrowings | | 2,635.00 | | 658.75 |
| Trade Payables | - | 1,102.43 | - | 1,282.20 |
| Lease Liabilities | - | 408.19 | - | 272.30 |
| Other Financial Liabilities | - | 7,482.33 | - | 6,691.22 |
| **Total** | **-** | **52,704.77** | **-** | **43,056.72** |

**B. Fair Value Hierarchy**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are:

(a) recognized and measured at fair value and

(b) measured at amortized cost and for which fair values are disclosed in the financial statements.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation techniques:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level-2.

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels as prescribed under the Ind AS. An explanation of each level is given in the table below.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

**Financial assets and liabilities measured at fair value-recurring fair value measurements**

**(Rs. In Lakhs)**

| Particulars | As at 31 March 2022 | | | As at 31 March 2021 | | |
|---|---|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Level 1 | Level 2 | Level 3 |
| **Financial Assets measured at FVTPL** | | | | | | |
| Investments: Mutual Funds | 113.01 | - | - | 95.57 | - | - |
| **Total Financial Assets** | **113.01** | **-** | **-** | **95.57** | **-** | **-** |

**Assets and liabilities which are measured at amortized cost for which fair values are disclosed**

**(Rs. In Lakhs)**

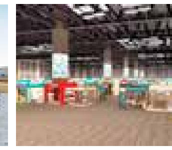
| Particulars | As at 31 March 2022 | | | As at 31 March 2021 | | |
|---|---|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Level 1 | Level 2 | Level 3 |
| **Financial Assets** | | | | | | |
| **Non-current assets** | | | | | | |
| Investments | - | - | - | - | - | - |
| Loans | - | - | 954.11 | - | - | 1,095.02 |
| Other Financial Assets | - | - | - | - | - | 796.00 |
| **Current assets** | | | | | | |
| a) Trade Receivables | - | - | 851.04 | - | - | 916.99 |
| b) Cash and Cash Equivalents | - | - | 3,265.97 | - | - | 5,274.70 |
| c) Bank Balances other than Cash | - | - | 49,312.32 | - | - | 48,758.10 |
| d) Loans | - | - | 193.00 | - | - | 456.13 |
| e) Other Financial assets | - | - | 4,359.75 | - | - | 1,537.16 |
| **Total Financial Assets** | | | **58,936.19** | | | **58,834.10** |
| **Financial Liabilities** | | | | | | |
| **Non-current Liabilities** | | | | | | |
| Borrowings | - | - | 39,957.25 | - | - | 32,967.68 |
| Lease liabilities | - | - | 1,119.57 | - | - | 1,184.57 |
| **Current Liabilities** | | | | | | |
| Borrowings | | | 2,635.00 | | | 658.75 |
| Trade Payables | - | - | 1,102.43 | - | - | 1,282.20 |
| Lease liabilities | - | - | 408.19 | - | - | 272.30 |
| Other Financial Liabilities | - | - | 7,482.33 | - | - | 6,691.22 |
| **Total Financial Liabilities** | **-** | **-** | **52,704.77** | **-** | **-** | **43,056.72** |

**C. Fair Value of financial assets and liabilities measured at amortized cost:**

**(Rs. In Lakhs)**

| Particulars | As at 31 March 2022 | | As at 31 March 2021 | |
|---|---|---|---|---|
| | Carrying | Fair Value | Carrying | Fair Value |
| **Financial Assets** | | | | |
| **Non-current assets** | | | | |
| Investments | - | - | - | - |
| Loans | 954.11 | 954.11 | 1,095.02 | 1,095.02 |
| Other Financial Assets | - | - | 796.00 | 796.00 |
| **Current assets** | | | | |
| a) Trade Receivables | 851.04 | 851.04 | 916.99 | 916.99 |
| b) Cash and Cash Equivalents | 3,265.97 | 3,265.97 | 5,274.70 | 5,274.70 |
| c) Bank Balances other than Cash and Cash Equivalents | 49,312.32 | 49,312.32 | 48,758.10 | 48,758.10 |
| d) Loans | 193.00 | 193.00 | 456.13 | 456.13 |
| e) Other Financial assets | 4,359.75 | 4,359.75 | 1,537.16 | 1,537.16 |
| **Total** | **58,936.19** | **58,936.19** | **58,834.10** | **58,834.10** |





NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

| | | | | |
|---|---|---|---|---|
| **Financial Liabilities** | | | | |
| **Non-current Liabilities** | | | | |
| Borrowings | 39,957.25 | 39,957.25 | 32,967.68 | 32,967.68 |
| Lease liabilities | 1,119.57 | 1,119.57 | 1,184.57 | 1,184.57 |
| **Current Liabilities** | | | | |
| Borrowings | 2,635.00 | 2,635.00 | 658.75 | 658.75 |
| Trade Payables | 1,102.43 | 1,102.43 | 1,282.20 | 1,282.20 |
| Lease liabilities | 408.19 | 408.19 | 272.30 | 272.30 |
| Other Financial Liabilities | 7,482.33 | 7,482.33 | 6,691.22 | 6,691.22 |
| **Total** | **52,704.77** | **52,704.77** | **43,056.72** | **43,056.72** |

The carrying amounts of trade receivables, trade payables, cash and cash equivalents, other bank balances, other current financial assets and financial liabilities are considered to be the same as their fair value, due to their short term nature.

The fair value of loans were calculated based on cash flows using MCLR/ base rate of SBI. They are classified as level 3 fair values in their fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit.

**II Financial risk management**

The Group's principal financial liabilities comprise trade and other payables. The Group's principal financial assets include trade and other receivables, and cash and short-term deposits that derive directly from its operations. The Group also holds investment in mutual funds. The Group's activities expose it to some of the financial risks: market risk, credit risk and liquidity risk.

**a) Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises Foreign Currency Risk and Interest rate risk. Financial instruments affected by market risk includes trade receivables and trade payables.

**(i) Foreign Currency Risk**

The group operated internationally and is exposed to insignificant foreign currency risk arising from foreign currency transactions, group does not hedge any foreign currency risk for foreign currency transactions.

**In case of ITPO, Foreign currency exposures that are hedged by derivative instruments are given below:**

**(Rs. In Lakhs)**

| Foreign Currency (FC) | Note no. | Currency Symbol | As at 31st March, | | As at 31st March, | |
|---|---|---|---|---|---|---|
| | | | FC | INR | FC | INR |
| <u>**Assets**</u> | | | | | | |
| <u>**CASH & CASH EQUIVALENTS**</u> | 13 | | | | | |
| **Balances with Banks- Current &** | | | | | | |
| Yen | | ¥ | - | - | 7.9215 | 5.34 |
| United States Dollar | | $ | - | - | 0.0605 | 4.50 |
| <u>**OTHER CURRENT FINANCIAL ASSETS**</u> | 16 | | | | | |
| **Due From Indian Mission Abroad** | | | | | | |
| United States Dollar | | $ | - | - | 0.1063 | 7.89 |
| <u>**OTHER CURRENT ASSETS**</u> | 18 | | | | | |
| **Advances to vendors (Unsecured)** | | | | | | |
| Euro | | € | 0.8660 | 74.12 | 0.8660 | 75.70 |
| United States Dollar | | $ | 0.0001 | 0.01 | 0.2413 | 17.91 |
| Canadian Dollar | | C$ | 0.0192 | 1.18 | 0.0192 | 1.14 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

| | | | | | | |
|---|---|---|---|---|---|---|
| **Liabilities** | | | | | | |
| **TRADE PAYABLES** | 27 | | | | | |
| United States Dollar | | $ | 0.0117 | 0.88 | - | - |
| **Net Assets (in INR)** | | | | **74.43** | | **112.47** |

**ii) Interest Rate Risk**

Interest rate risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of change in market interest rate. The Group manages its interest risk in accordance with the group's policies and risk objective. Financial instruments affected by interest rate risk includes deposits with banks and Inter corporate deposits with NBFC's etc. Interest rate risk on these financial instruments are very low as interest rate is fixed for the period of financial instruments.

**b) Credit risk** .

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the group's receivables from customers and investment. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The group assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

**(i) Provision for Expected Credit Losses**

**As at 31st March 2022 (In respect of Holding Company:)**

a) Expected Credit Loss for Trade Receivables under simplified Approach **(Rs. In Lakhs)**

| Ageing | < 6 M | > 6 < 12 | > 12 < 24 | > 24 < 36 | > 36 | Total |
|---|---|---|---|---|---|---|
| Gross Carrying Amount | 423.07 | 5.84 | 134.51 | 57.37 | 1,009.10 | 1,629.87 |
| Expected Credit rate | - | - | 58.42% | 4.09% | 91.58% | 58.63% |
| Expected Credit losses (Less: Provision allowance) | - | - | (78.58) | (2.35) | (874.72) | (955.65) |
| **Gross Carrying Amount of Trade** | **423.07** | **5.84** | **55.93** | **55.02** | **134.37** | **674.22** |

b) Expected Credit Loss for loans and investments **(Rs. In Lakhs)**

| Particulars | | Assets Group | Carrying Value | Expected Probability of Default | Expected credit Loss | Carrying Amount Net of Expected credit Loss |
|---|---|---|---|---|---|---|
| Loss allowance measured at life time ECL | Financial assets for which credit risk has increased and not credit impaired | Grant Recoverable from Government of India | 600.86 | 78.38% | (470.95) | 129.91 |
| | | Dues in Respect of Deposit Work | 70.15 | 100.00% | (70.15) | - |
| **Total** | | | **671.01** | **80.64%** | **(541.10)** | **129.91** |



**As at 31st March 2021 (In respect of Holding Company:)**

a) Expected Credit Loss for Trade Receivables under simplified Approach **(Rs. In Lakhs)**

| Ageing | < 6 M | > 6 < 12 | > 12 < 24 | > 24 < 36 | > 36 | Total |
|---|---|---|---|---|---|---|
| Gross Carrying Amount | 107.71 | 17.56 | 179.01 | 57.25 | 996.44 | 1,357.96 |
| Expected Credit rate | 0.00% | 0.00% | 1.31% | 3.84% | 93.69% | 69.08% |
| Expected Credit losses (Less: provision Allowance) | - | - | (2.35) | (2.20) | (933.54) | (938.09) |
| **Gross Carrying Amount of Trade Receivables** | **107.71** | **17.56** | **176.66** | **55.05** | **62.90** | **419.87** |

b) Expected Credit Loss for loans and investments **(Rs. In Lakhs)**

| Particulars | | Assets | Carrying | Expected | Expected | Carrying |
|---|---|---|---|---|---|---|
| Loss allowance measured at Life Time ECL | Financial assets for which credit risk has increased & not credit impaired | Grant Recoverable from Government of India | 704.28 | 50.97% | (358.95) | 345.33 |
| | | Due in Respect of Deposit Work | 70.15 | 100.00% | (70.15) | - |
| **Total** | | | **774.43** | **55.41%** | **(429.10)** | **345.33** |

**c) Liquidity risk**

Liquidity risk is the risk that the Group will not be able to settle or meet its financial obligations as they become due. The Group manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The Group's finance division is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

The working capital position of the group is given below: **(Rs. In Lakhs)**

| Particulars | As at 31-03-2022 | | As at 31-03-2021 | |
|---|---|---|---|---|
| **i) Financial Assets** | | | | |
| a) Investments | 113.01 | | 95.57 | |
| b) Trade Receivables | 851.04 | | 916.99 | |
| c) Cash and Cash Equivalents | 3,265.97 | | 5,274.70 | |
| d) Bank Balances other than Cash and Cash Equivalents | 49,312.32 | | 48,758.10 | |
| e) Loans | 193.00 | | 456.13 | |
| f) Other Financial assets | 4,359.75 | **58,095.09** | 1,537.16 | **57,038.66** |
| **ii) Financial Liabilities** | | | | |
| a) Borrowings | 2,635.00 | | 658.75 | |
| b) Trade Payables | 1,102.43 | | 1,282.20 | |
| c) Lease liabilities | 408.19 | | 272.30 | |
| d) Other Financial Liabilities | 7,482.33 | **11,627.95** | 6,691.22 | **8,904.47** |
| **Net Working Capital** | | **46,467.14** | | **48,134.19** |

**40.22 Capital Management**

For the purpose of the Group's capital management, capital includes issued equity capital, capital grant from Government of India in the nature of promoter's contribution and Retained Earnings treated as other equity.

**40.23 Disclosure as per Ind AS 112 'Disclosure of Interest in Other Entities'**

**a) Subsidiaries**

The group's subsidiaries as at 31.3.2022 are set out below. Unless otherwise stated, they have equity share capital consisting solely of equity shares that are held directly by the group and the proportion of ownership interests held equals the voting right held by the group.

| Name of Entity | Place of Business/ Country of Incorporation | Ownership Interest held by the Group | | Ownership Interest held by the Non Controlling Interests | | Principal Activities |
|---|---|---|---|---|---|---|
| | | 31/03/2022 | 31/03/2021 | 31/03/2022 | 31/03/2021 | |
| Karnataka Trade Promotion Organization | India | 51% | 51% | 49% | 49% | Trade Promotion |
| Tamilnadu Trade Promotion Organization | India | 51% | 51% | 49% | 49% | Trade Promotion |
| ITPO Service Limited | India | 100% | 100% | - | - | Trade Promotion |

b) Summarized financial information for each subsidiary that has non-controlling interests that are material to the group. The amount disclosed for each subsidiary are before inter-company eliminations.

**Summarized Balance Sheet** **(Rs. In Lakhs)**

| Particulars | Karnataka Trade Promotion Organization | | Tamilnadu Trade Promotion Organization | | ITPO Service Limited | |
|---|---|---|---|---|---|---|
| | 31/03/2022 | 31/03/2021 | 31/03/2022 | 31/03/2021 | 31/03/2022 | 31/03/2021 |
| Current Assets | 5959.83 | 7,473.08 | 24964.83 | 26,991.77 | 4.77 | 4.96 |
| Current Liabilities | 445.57 | 439.23 | 2755.69 | 3,168.77 | 0.22 | 0.19 |
| Net Current Assets | 5,514.26 | 7,033.85 | 22,209.14 | 23,823.00 | 4.55 | 4.77 |
| Non Current Assets | 8931.73 | 7,280.60 | 11993.29 | 10,130.82 | - | - |
| Non Current Liabilities | - | - | 3182.11 | 3,322.00 | - | - |
| Net Non Current Assets | 8,931.73 | 7,280.60 | 8,811.18 | 6,808.82 | - | - |
| Net Assets | **14,445.99** | **14,314.45** | **31,020.32** | **30,631.82** | **4.55** | **4.77** |
| Attributable to Non Controlling Interest | 7,078.54 | 7,014.08 | 15,199.96 | 15,009.59 | - | - |

**Summarized Statement of Income & Expenditure** **(Rs. In Lakhs)**

| Particulars | Karnataka Trade Promotion Organization | | Tamilnadu Trade Promotion Organization | | ITPO Service Limited | |
|---|---|---|---|---|---|---|
| | 31/03/2022 | 31/03/2021 | 31/03/2022 | 31/03/2021 | 31/03/2022 | 31/03/2021 |
| Revenue | 395.13 | 585.58 | 1884.67 | 1,961.62 | 0.07 | 62.04 |
| Profit for the year | 131.54 | 308.43 | 389.15 | 577.79 | (0.22) | (0.23) |
| Other Comprehensive Income | - | | -0.64 | 0.58 | - | - |
| Total Comprehensive Income | **131.54** | **308.43** | **388.51** | **578.37** | **(0.22)** | **(0.23)** |
| Attributable to Non Controlling Interest | 64.46 | 151.13 | 190.37 | 283.40 | | - |

**Summarized Cash Flow** **(Rs. In Lakhs)**

| Particulars | Karnataka Trade Promotion Organization | | Tamilnadu Trade Promotion Organization | | ITPO Service Limited | |
|---|---|---|---|---|---|---|
| | 31/03/2022 | 31/03/2021 | 31/03/2022 | 31/03/2021 | 31/03/2022 | 31/03/2021 |
| Cash flow from Operating Activities | 968.40 | (229.49) | (380.08) | 1,298.29 | (0.26) | (0.04) |
| Cash flow from Investing Activities | (2,471.80) | (1,181.79) | (1,687.76) | (3,834.02) | (4.70) | - |
| Cash flow from Financing Activities | - | (1.50) | 0.01 | (80.57) | - | 5.00 |
| Net increase/(decrease) in cash and cash | **(1,503.41)** | **(1,412.78)** | **(2,067.83)** | **(2,616.30)** | **(4.96)** | **4.96** |

**c) Interests in Joint Venture & Associates** **(Rs. In Lakhs)**

| Name of Entity | Place of Business | Ownership Interest held by the Group | | Accounting Method | Carrying Amount | |
|---|---|---|---|---|---|---|
| | | 31/03/2022 | 31/03/2021 | | 31/03/2022 | 31/03/2021 |
| National Centre For Trade Information | India | 50% | 50% | Equity Method | - | 81.88 |
| Jammu and Kashmir Trade Promotion | India | 42.05% | 42.05% | Equity Method | 107.79 | 172.17 |

**d) Individually Immaterial Joint Venture**

Financial Information regarding group's interest in individually immaterial joint ventures that is accounted for using the equity method is as below:

| Particulars | 31/03/2022 | 31/03/2021 |
|---|---|---|
| Aggregate carrying amount of individually immaterial joint vent | - | 81.88 |
| Aggregate amount of Group's share of: | | |
| Profit for the year | (81.88) | (1.31) |
| Other comprehensive Income | - | (0.37) |
| **Total Comprehensive Income** | (81.88) | (1.68) |

* The winding up proceedings of NCTI have been initiated with the approval of the Cabinet and the liquidator has been apppointed. As such, the Financial Statements of NCTI are not available for consolidation. As per the Liquidator, no amount is recoverable from the investments by the Holding company in NCTI.

* Pending the audit, the Board approved Annual Financial Statements of JKTPO have been considered for consolidation.

**e) Associates** **(Rs. In Lakhs)**

| Particulars | 31/03/2022 | 31/03/2021 |
|---|---|---|
| Aggregate carrying amount of investments in Associates | 107.79 | 172.17 |
| Aggregate amount of Group's share of: | | |
| Profit for the year | (64.38) | (46.42) |
| Other comprehensive Income | | - |
| **Total Comprehensive Income** | (64.38) | (46.42) |

**40.24 Disclosure as per Schedule III to the Companies Act 2013** **(Rs. In Lakhs)**

| Name of the Entity in the Group | Net assets i.e. total assets minus total liabilities as at | | Share in profit or loss for the year ended | | Share in other comprehensive income for the year ended | | Share in total comprehensive income for the year ended | |
|---|---|---|---|---|---|---|---|---|
| | As % of consolidated net assets | Amount | As % of consolidated profit or loss | Amount | As % of consolidated other comprehensive income | Amount | As % of consolidated total comprehensive income | Amount |
| **Parent Company** | | | | | | | | |
| India Trade Promotion Organization | | | | | | | | |
| 31st March 2022 | 81.77% | 1,98,327.99 | 107.75% | (5,200.88) | 99.82% | (346.85) | 107.22% | (5,547.73) |
| 31st March 2021 | 82.30% | 2,03,873.91 | 111.10% | (8,391.26) | 101.01% | (22.00) | 111.07% | (8,413.26) |
| **Subsidiary- Indian** | | | | | | | | |
| Tamilnadu Trade Promotion Organization | | | | | | | | |
| 31st March 2022 | 6.52% | 15,819.86 | -4.11% | 198.47 | 0.09% | (0.33) | -3.83% | 198.14 |
| 31st March 2021 | 6.31% | 15,621.72 | -3.90% | 294.67 | -1.37% | 0.30 | -3.89% | 294.97 |
| Karnataka Trade Promotion Organization | | | | | | | | |
| 31st March 2022 | 2.62% | 6,347.46 | -1.39% | 67.09 | 0.00% | - | -1.30% | 67.09 |
| 31st March 2021 | 2.54% | 6,282.40 | -2.08% | 157.29 | 0.00% | - | -2.08% | 157.29 |
| ITPO Services Limited | | | | | | | | |
| 31st March 2022 | 0.00% | (0.45) | 0.00% | (0.22) | 0.00% | - | 0.00% | (0.22) |
| 31st March 2021 | 0.00% | (0.23) | 0.00% | (0.23) | 0.00% | - | 0.00% | (0.23) |
| **Non -controlling Interest in all Subsidiaries** | | | | | | | | |
| 31st March 2022 | 9.18% | 22,278.50 | -5.29% | 255.14 | 0.09% | (0.31) | -4.93% | 254.83 |
| 31st March 2021 | 8.89% | 22,023.68 | -5.75% | 434.24 | -1.33% | 0.29 | -5.74% | 434.53 |
| **Joint Venture- Indian** | | | | | | | | |
| National Centre for Trade Information | | | | | | | | |
| 31st March 2022 | -0.08% | (200.00) | 1.70% | (81.88) | 0.00% | - | 1.58% | (81.88) |
| 31st March 2021 | -0.05% | (118.12) | 0.02% | (1.31) | 1.69% | (0.37) | 0.02% | (1.67) |
| **Associate-Indian** | | | | | | | | |
| Jammu & Kashmir Trade promotion Organization | | | | | | | | |
| 31st March 2022 | -0.01% | (15.61) | 1.33% | (64.38) | 0.00% | - | 1.24% | (64.38) |
| 31st March 2021 | 0.02% | 48.77 | 0.61% | (46.42) | 0.00% | - | 0.61% | (46.42) |
| **Total** | | | | | | | | |
| **31st March 2022** | **100.00%** | **2,42,558.19** | **100.00%** | **(4,826.66)** | **100.00%** | **(347.49)** | **100.00%** | **(5,174.15)** |
| **31st March 2021** | **100.00%** | **2,47,732.35** | **100.00%** | **(7,553.02)** | **100.00%** | **(21.78)** | **100.00%** | **(7,574.80)** |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

**40.25 Segment reporting for the year ended 31st March 2022**

The operating segments are identified on the basis of internal reports used by the Group’s Management to allocate resources and assess their performance for decision making. The Board of Directors is collectively the Group’s “Chief Operating Decision Maker” (CODM) within the meaning of Ind AS 108.

**(Rs. In Lakhs)**

| Particulars | Trade promotion activities in India | Trade promotion activities Abroad | Unallocated | Total |
|---|---|---|---|---|
| **Revenue-External** | 7,452.33 | 298.61 | 449.89 | 8,200.83 |
| | 1,136.64 | 19.32 | 2,863.93 | 4,019.89 |
| Inter-segment | - | - | - | - |
| Total Expenses | 12,019.33 | 811.08 | 2,692.85 | 15,523.26 |
| | *(12880.490)* | *(1083.87)* | *(1160.25)* | *(15124.61)* |
| Segment result | (4,567.00) | (512.47) | (2,242.96) | -7,322.43 |
| | *(-11743.85)* | *(-1064.55)* | *(1703.68)* | *(-11104.72)* |
| Interest/Dividend income | - | - | 2,148.28 | 2,148.28 |
| | - | - | *(3529.92)* | *(3529.92)* |
| Surplus/ (deficit) before taxation | - | - | - | -5,174.15 |
| | - | - | - | *(-7574.8)* |
| Excess of income over | - | - | - | -5,174.15 |
| expenditure/ (expenditure over | - | - | - | *(-7574.8)* |
| **Other information** | | | | |
| Investment in Joint Ventures & | 107.79 | - | - | 107.79 |
| Associates | *254.05* | - | - | *254.05* |
| Segment assets | 2,71,736.25 | 210.28 | 37,501.77 | 3,09,448.30 |
| | *(261305.15)* | *(469.33)* | *(40056.48)* | *(301830.96)* |
| Segment liabilities | 29,716.33 | 104.58 | 37,069.20 | 66,890.11 |
| | *(16924.82)* | *(104.58)* | *(37069.2)* | *(54098.61)* |
| Capital expenditure | 22,224.82 | - | - | 22,224.82 |
| | *(21234.340)* | - | - | *(21234.340)* |
| Depreciation & Amortization | 640.64 | - | - | 640.64 |
| | *(653.230)* | - | - | *(653.230)* |
| Other non-cash expenses | *507.28* | | | *507.28* |
| | *(467.90)* | | | *(467.90)* |

**NOTE:** (a) The unallocated expenditure includes 10% of establishment and office expenses. The balance is apportioned

(b) The unallocated assets and liabilities include those which are not possible to be appropriately identified to a specific segment.

(c) Figures in brackets in the Segment Report relate to the previous year.

(d) TNTPO, KTPO and ISL are engaged in only one segment i.e. hiring out premises for exhibitions in India. Thus, their activities have been included in 'Trade promotion activities in India'.

**Information about major customers (from external customers)**

The Group does not derive any revenue from external customers which amounts to 10 percent or more of the group's revenues.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

**40.26 Prior Period Adjustments**

**2021-22** **(Rs. In Lakhs)**

| Particulars | | Amount |
|---|---|---|
| **Opening Retained Earning as on 01.04.2020** | | **2,32,660.20** |
| **Adjustments:** | | |
| REPAIRS & MAINTENANCE-OTHERS | (4.78) | |
| HIRE OF TRANSPORT | (0.26) | |
| Consultancy Expenses | (0.26) | |
| | | **(5.30)** |
| **Restated Opening Retained Earning as on 01.04.2020** | | **2,32,654.90** |
| Restated Excess of Income over expenditure for the period from continuing operati | | (7,987.26) |
| Other Comprehensive Income during 2020-21 | | (22.07) |
| **Restated Opening Retained Earnings as on 31.3.2021** | | **2,24,645.57** |

**Restated Excess of Income over expenditure for the year ended 31-03-2021** **(Rs. In Lakhs)**

| Particulars | Nature of error | Year ended 31st March 2021 | |
|---|---|---|---|
| **Impact on statement in Income & Expenditure [(increase/(decrease) in profit]** | | | |
| **Excess of Income over expenditure for the period from continuing operations** | | | **(7,241.79)** |
| **OTHER EXPENSES** | | | |
| Repairs, Renewals & Maintenance | omission | (0.09) | |
| Maintenance of Pragati Maidan | | (151.19) | |
| Construction & Interior Decoration | | (101.59) | |
| Legal & Professional Charges | | (3.29) | |
| **Other Income** | | | |
| Interest on Mobilisation Advance | omission | (55.07) | |
| | | | (311.23) |
| **Net Impact on Income & Expenditure** | | | **(311.23)** |
| **Restated Excess of Income over expenditure for the period from continuing operations** | | | **(7,553.02)** |

**Impact of Prior period errors on Equity and EPS** **(Rs. In Lakhs)**

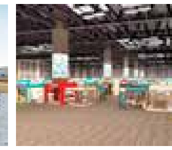
| Particulars | As at March 31, 2021 | As at March 31, 2020 |
|---|---|---|
| **Impact on Equity [(increase/(decrease) in equity]** | | |
| **OTHER FINANCIAL LIABILITIES** | | |
| Other Payables | 261.21 | 5.30 |
| Capital Work in Progress | (55.57) | - |
| **Net Impact on Equity** | **(205.64)** | **(5.30)** |

**Impact on basic and diluted earnings per share (EPS) [(increase/(decrease) in EPS]**

**(Rs. In Lakhs)**

| Particulars | For Year ended 31st March 2021 |
|---|---|
| **Earnings per share for continuing operation** | |
| Basic, profit from continuing operations attributable to equity holders | (0.01) |
| Diluted, profit from continuing operations attributable to equity holders | (0.01) |







**40.27 Disclosures pursuant to amendment in Schedule III of the Companies Act 2013:**

The MCA vide notification dated 24th March 2021 has amended Schedule III to the Companies Act. 2013 in respect of certain disclosures which are applicable from 1st April 2021. The Group has incorporated the changes as per the said amendment in the financial statements and below disclosures are made in compliance of the said amendment :

**(i)** The Group has not traded or invested in Crypto Currency or Virtual Currency during the period.

**(ii)** The Group do not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.

**(iii)** The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

**(iv)** The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

**(v)** The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

**(vi)** The Group does not have any loans and advances in the nature of loans to promoters, directors, KMP and other related parties.

**(vii)** The Group does not have any transaction which is not recorded in the books of accounts that has been subsequently surrendered or disclosed as income during the year as part of the on going tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

**(viii)** The Group has not been declared as willful defaulter by any bank or financial institution or government or any government authority.

**(ix)** The Group has complied with the number of layers prescribed under the Companies Act, 2013.

**(x)** The Group do not have any title deeds of immovable properties not held in name of the company.

**(xi)** The Group does not have any investment property.

**(xii)** Group is not required to submit statement of current assets with the bank and therefore reconciliation of the statement filed by the company with bank and the books of accounts is not applicable.

**(xiii)** The Group has not revalued any item of property, plant and equipment.

**(xiv)** The Group does not have any transactions where the company has not used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.

**(xv)** The Group have not entered into any scheme(s) of arrangements during the financial year.

**(xvi)** The following accounting ratios are disclosed:

| Ratio | Numerator | Denominator | Current Period | Previous Period | % Variance | Reason for Variance |
|---|---|---|---|---|---|---|
| Current Ratio | Current Assets | Current Liabilities | 3.38 | 4.52 | -25.22% | Repayment of loan due and regular operations |
| Debt-equity Ratio | Total Debt | Shareholder's Equity | 0.18 | 0.14 | 29.36% | Additional borrowings in FY 2021-22 |
| Debt service coverage ratio | Earnings available for debt service | Debt Service | -1.21 | -3.23 | -62.66% | Lower losses in 2021-22 |
| Return on equity ratio | Net Profits after taxes – Preference Dividend (if any) | Average Shareholder's Equity | -0.02 | -0.03 | -36.01% | Lower losses in 2021-22 |
| Inventory turnover ratio | Cost of goods sold OR sales | Average Inventory | NA | | | |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

| Ratio | Numerator | Denominator | Current Period | Previous Period | % Variance | Reason for Variance |
|---|---|---|---|---|---|---|
| Trade receivables turnover ratio | Net Credit Sales | Avg. Accounts Receivable | 3.30 | 1.08 | 203.92% | Negligible operations in previous year due to COVID |
| Trade payables turnover ratio | Net Credit Purchases | Average Trade Payables | NA | | | |
| Net capital turnover ratio | Net Sales | Working Capital | 0.09 | 0.02 | 254.67% | Negligible operations in previous year |
| Net profit ratio | Net Profit | Net Sales | -1.08 | -5.81 | -81.35% | |
| Return on capital employed | Earning before interest and taxes | Capital Employed | -0.02 | -0.03 | -39.96% | Lower losses in 2021-22 |
| Return on investment* | Net return on Investment | Total Investment | 0.04 | 0.06 | -32.22% | Lower interest rates on deposits |

* Not Annualised.

**40.28 PREVIOUS YEAR FIGURES**

Previous year's figures have been regrouped/ rearranged/ recast, wherever considered necessary, to correspond with the current year figures.

| | | | |
|---|---|---|---|
| -sd- | -sd- | -sd- | -sd- |
| **(R K Thakur)** | **(S. R. Sahoo)** | **(Vibhu Nayar)** | **(Pradeep Singh Kharola)** |
| Dy. Gen. Manager (Fin.) | Company Secretary | Director | Chairman & Managing Director |
| I/c Chief Financial Officer | | | |
| M. No. 42105 | M. No. F5595 | DIN: 3590141 | DIN: 05347746 |

As per our Report of even date attached
For P D Agrawal & Co.
Chartered Accountants
Firm Regn. No. 001049C

-sd-
**Sanjeev Agrawal**
**Partner**
**Membership No. 071427**

Place: New Delhi
Dated: 31st Oct. 2022

# NOTES

# NOTES